

# CONSUMERS' RESEARCH GENERAL BULLETIN

CONSUMERS' RESEARCH, Inc.

*Washington, New Jersey*

VOL. III

JULY, 1934

No. 4

NOT CONFIDENTIAL

## Contents

	Page		Page
Consumers and the Consumers' Advisory Board.....	1	Automobile Finance Companies.....	17
More on Lead and Arsenic.....	4	Bureau of Standards Helps Business Men to "Clean Up" .....	17
What Brand of Prosperity Ahead?.....	5	Notes from Subscribers.....	18
The High Cost of Advertising.....	7	The Radio Repair Racket.....	19
The Expert in Health Education.....	8	Why So Few Defenders of Consumers' Interests?....	20
An Enemy of Consumers.....	11	Are Your Gas and Electric Rates Too High? Write Mr. Cortelyou! .....	21
<i>The Hoover</i> Is Above a Mere Standardized Comparative Test of Vacuum Cleaners.....	12	One Stronghold of the Consumer.....	22
The Tugwell-Copeland Bill.....	13	Suggested Plan for the Department of the Consumer	23
Small Electrical Cooking Appliances.....	14	Signs and Portents.....	24
So-Called Sunburn-Preventive Preparations.....	16		

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## Consumers and the Consumers' Advisory Board

WHEN the National Recovery Administration went into action, it was thought that something new under the sun had appeared. Among other things, the New Deal (or so it appeared) was to give representation to consumers' interests as well as to business and labor interests. The Administrator of the National Recovery Administration said that the Consumers' Advisory Board was devised to protect the interests of the consumer by "watching every agreement and every hearing to see that nothing is done to impair the interests of those whose daily living may be affected by these agreements." Those who are conscious of having consumer interests may wonder what has happened to them under the New Deal. The answer, to date, may best be given by relating the pertinent National Recovery Administration developments of the past year.

A great pilgrimage to Washington followed the announcement that each industry would be governed by a code that would protect the interests of all

connected with or dependent on the industry. Business men and labor leaders blossomed out in great profusion, and the code-making process started. In the beginning, the Consumers' Advisory Board was largely ignored in code-making except as some retailing group appealed to it to give aid to a business interest in criticism of or opposition to a code.

But what was the Consumers' Advisory Board engaged in? It was literally trying to define the consumer, and then to the extent that the definition came out right, attempting to find out what to do about him. The Board, after many months of this unproductive activity and while business men, assembled in force and with galaxies of business and trade association experts and counsel, were rapidly and aggressively pushing codes through, decided that the consumer represented an interest but not a group of people distinct from all other groups. This may have been metaphysically sound—the Consumers' Advisory Board's philosophy and memoranda

have always been interesting—but this detached and disinterested point of view was of little significance from the practical standpoint of opposing provisions of the codes, of which many were very bad indeed from the consumers' standpoint. The Consumers' Advisory Board's position made good oratory but poor politics.

Perhaps the more crucial problem was that of protecting the interest after it had once been discovered and analyzed and set down in proper academic language. In short, what policies should the Consumers' Board follow?

This called for much debate and deliberation. Should the Board concentrate on those codes concerned with ultimate consumers' goods, or should it attack in the consumer's interest all improper provisions of all codes that came along? Should the Board select codes dealing with certain basic industries such as coal, oil, steel, etc., and make exhaustive studies and analyses of them and let other less important codes slip by for the moment? While the debate continued, the codes went through—hundreds of them—nearly all containing clauses or concealing practices legalizing price-fixing, price rises, prohibition of quality guarantees, and a hundred other practices gravely to the disadvantage of every consumer in the country. The Board could not protest because it was still in the dark as to what it should do, or perhaps, to express it more bluntly, what it thought it could do and successfully get away with, without becoming unendurably unpopular around NRA headquarters.

What, the Board pondered, should be its attitude toward price-fixing? Some members thought price-fixing in any form whatsoever should be opposed, while others thought price-fixing bad only when it could be explicitly demonstrated that the price-fixing led to monopoly and higher prices. The same difficulty arose over restriction of output. Was the limitation of the hours of operation of machinery detrimental to the consumer or was it not? Again it was difficult to decide. The Board was unwilling to accept one policy or another. Above all it was unwilling to adopt any policy which would put its operations frankly on the side of the general population as against that of commercial interests. In the course of its continued exposure to the currents of pressure and argument among Recovery Administration intellectuals and the tougher-minded men from Goldman Sachs, General Motors, and other large interests, it became peculiarly sensitive to the disastrous effects its decisions might have on labor or on recovery. For a time, in all its deliberations there was an underlying assumption that any rise in wages necessitated increased prices. It apparently occurred to no one on the Board that a rise in wages might more properly come out of decreased payments to ownership and management (salaries of corporation and holding company presidents, vice-presidents, and directors, interest to bondholders, dividends to security owners, and so on). Therefore, the Board argued (following the

path of least resistance since consumers were not organized in large enough numbers to put up a strong fight that even General Johnson would have to note), higher prices could not be criticized without criticizing higher wages. The proportion of wages to the total cost of production was mainly debated in general rather than in specific terms, but a definite conclusion was difficult to discern—and never was discerned. Furthermore, the business men argued that the codes should not be delayed while the Consumers' Board was making up its mind and trying to formulate its policies. Else "recovery"—that is, return to the era of high commercial profits—might be delayed. If the Consumers' Advisory Board held up the proceedings, it would be placed in the rank of obstructionists such as Republicans and Communists. It might even be thrown out of the Recovery Administration. A threat to remove it was at one time actually made by an executive order of the Administrator.

Similar difficulties developed over the question of accounting methods used in the various codes. Should the Board analyze the methods used in determining costs and recommend standard practice for cost accounting? This was another unresolved problem. The Board got out of this dilemma by an argument stoutly defended by Gardiner C. Means and others, that corporate and other professional accounting as practiced was pretty much a fraud anyway in that it found and presented the facts which it was in the interests of the owners of industry to find, and that its practice was, moreover, based upon complex, arbitrary, and often unrealistic conventions which rationalize industry's modes and forms of profit-making and maintenance of vested rights. Present available accounting practices and conventions, therefore, provided no satisfactory concept of cost as a basis for establishing prices under the codes. These complex considerations prevented the Board from fighting vigorously for accounting methods that would insure the low prices which were needed to safeguard consumers' interests. Again the academic argument that since scientific accuracy was not to be achieved nothing need be done won the day.

Still other projects were advanced for the Board's attention. Perhaps the Board should cooperate with and attempt to further consumers' cooperatives. But this did not seem to be a very effective proposal, and besides the National Recovery Administration might disapprove of it. It was suggested that the Board attempt to encourage the organization of a Department of the Consumer in the federal government. This also seemed to be an admirable resolution but not one that much could be done about. As the executive director of the Board put it, such a recommendation from the Board "wouldn't shake any continents," and why bother about it?

The development of standards for consumers' goods was urged as a means of protecting the consumer. But many of the Consumers' Advisory Board's representatives at code hearings had no idea

A quarterly journal published by CONSUMERS' RESEARCH, INC., Washington, New Jersey. Consumers' Research is organized and incorporated under the laws of the State of New York as a membership corporation to provide unbiased technical information and counsel on goods bought by the ultimate consumer; not a business enterprise, not operated for profit. The *General Bulletin* is issued four times a year. The subscription price is \$1 (Canada and foreign \$1.50) paid in advance. The subscription year runs from October through July and subscriptions are accepted for this period only. Single copies are 25 cents.

what standardization involved and were generally quite ineffective in advocating the practice. Like many of the things passing through the Board's routine, the question of standardization was a highly technical one requiring broad and deep knowledge and experience with the uses already made of standardization in industry by business men for their buying and the reasons for their vigorous objections to a corresponding use of it by consumers in purchasing the products of industry. During a critical period, the Board declined, in the face of repeated recommendations, to engage one or two highly qualified, available persons who could have straightened out its lines on this vitally important subject, and continued, until very recently, as with the rest of its discussions, to deal with the matter purely from an academic, inexpert, and unrealistic point of view.

When many of the above suggestions were left hanging in the air, some members of the Board thought the work should start from a more scientific approach (scientific, that is, in the sense used by the endowed foundations who have plenty of money and even more time to settle any problem they may undertake for research), that is, that the Board should carry on field investigations of consumers' habits. The consumer should be protected against himself by the Board's "ascertaining what psychological difficulties the consumer encounters in the market." Supposedly this would result in giving the consumer advice on how to correct his errors of purchasing. Plans for such an ambitious and long-drawn-out study of this type were advanced, based upon a similar study conducted in European cities.

Consumers' Councils were finally approved by the Board and accepted by the Administration in a rather attenuated form, i.e., a form which would not bring the Recovery Administration embarrassment or result in consumers' criticisms of the NRA's performances and practices and the practical working out of the recovery program. These councils are to be set up in the various states and receive certain limited types of information (if any) from the Consumers' Advisory Board and send in complaints on prices or codes.

The above is only a hurried summary of what the Board thought it might do. But it illustrates the vacillation, indecision, and confusion which accompanied the Consumers' Advisory Board's efforts. It more than suffices to explain why the results of the Board's writings and philosophy and round-table discussions have been somewhat less than nothing to date and why consumers are worse off on the whole than if the National Recovery Administration had more frankly gone ahead to override their rights and interests, as it proposed to do and did do anyhow.

But what was happening while the debate was continuing?

Although the Board was understaffed in its research division, it was able to "analyze" enough codes to indicate that things were not what they might be. Monopoly and higher prices and restriction of production had crept in through hundreds of small and large crevices. With the backing of some small businesses that had been hurt by the

codes, a hearing was called on Price Changes under NRA Codes before the Division Administrator, A. D. Whiteside.

Apparently, Whiteside had no intention of even permitting the Consumers' Advisory Board to present its case about prices. However, in the course of the meeting the representative of the Cotton Textile Institute talked at such length about the industry's point of view that Whiteside finally permitted the Consumers' Advisory Board to present its case. He was not willing to hear representatives of consumers' groups at the meeting. It was finally decided that no open-price agreements that included a waiting period before putting the prices into effect should be tolerated until after further investigation.

The investigation was held after General Johnson's "field day," when all codes were submitted to public criticism to the accompaniment of hundreds of flashlight photographs, well-buttered eulogies by radio announcers, a barrage of publicity from the National Recovery Administration's own publicity department, displacing by its sheer mass and the prestige of its source critical comments which reporters might be inclined to write. The Distribution and Consumer Service Trades Commission which General Johnson appointed to investigate the matter, reported in favor of open-price agreements and cost-setting provisions in so far as such practices prevented cut-throat competition. This did not help the consumer much since it has long been the custom to designate as cut-throat any competition which has the effect of lowering prices (which, let us say parenthetically, is the classical purpose and effect of competition of any economically significant sort). The Commission also decided what the Consumers' Advisory Board had failed to decide and had allowed to come into effect by its vacillation and default. Business, the Commission found, was more important than the consumer.

While the discussion and argument continued, codes continued to be pushed through at a furious pace. The Consumers' Advisory Board investigated a bit further and after a long time reached the point where it insisted upon revealing, after a considerable period of discussion in order to screw up its courage to do so, that numerous practices inimical to the consumer were in the codes. While they had been debating whether the door should be locked and if so, how to lock it, the horse had already been stolen. Their investigation showed, contrary to the position taken by them only a few months before, that there had been a failure to increase mass purchasing power in proportion to the increase in prices, and there seemed to be still more price increases in the offing. In many of the codes, such as lumber and bituminous coal, prices had increased out of all relation to increased labor costs. Out of 180 approved codes, it was discovered that 125 had provisions against "selling below cost." In 111 of these, cost was defined as the cost of the individual firm. And of course in these cases cost is to be defined by the accountants of and to suit the interests of the business itself. Open-price systems prevailed in 81 of the codes. There was limitation of hours of machine operation in 24 of the codes, and systems of allocation of production (dividing the market to

eliminate competition) existed in 3 codes. Some of the codes contained the infamous basing-point systems long since condemned in the strongest language by federal commissions and the courts as extortions and cheats of the consumer. These schemes fixed prices at certain localities with forced inclusion of freight charges whether or not the goods were actually shipped and regardless of the proximity of the concern to the purchaser. In this way consumers pay large sums of money for "phantom freight" and relieve the distant manufacturer from worry over the competition of firms near to the consumer, to whom in the case of heavy goods the local market naturally and for national economy belongs.

What happened after the report? (Incidentally, the Consumers' Advisory Board is generally very secretive in its reports, which makes it a bit difficult to keep up with the proceedings. It is the custom to repress, as "confidential" material of the NRA, many of the CAB's findings and reports which would be of the greatest value in letting consumers learn, through Consumers' Research for example, just how the process of selling the general public down the river has taken place under NRA auspices.) After the report General Johnson announced a new shake-up in the National Recovery Administration. This time emphasis was to be put on enforcement or, as the Administration rather ponderously named it, Compliance with the Codes. Business men don't like to hear the Administration use strong or threatening words like enforcement, so less offensive terms must be found for public announcements. But by now business has come to understand that by whatever name the policy is known, it won't affect large firms, but will be reserved for pants pressers in suburban areas, small dress-shops, a Texas lunch counter, and so forth.

The reopening and changing of codes, it turned out under the Administration's "new policy," was to be permitted only under very exceptional circumstances. The Consumers' Advisory Board was to have its representatives—advisory, as usual—on Compliance Boards along with the other parties to the code. This ingenious policy would have the effect of putting the Consumers' Advisory Board in the anomalous position of *having to assist in enforcing* a code that would be detrimental to the consumer. Of course, industrial and business practices under a code are more important than the form of the code statements, but on past performance of the Consumers' Advisory Board, it takes no great skill at prediction to assert that consumers' representatives will not be able to face the Administrator's displeasure involved in insisting upon a weeding out of the practices injurious to the consumer.

It has been repeatedly pointed out that our society is largely a business society in which business interests and principles override all others; that it is only natural that things should come out this way. One should not then be surprised that the National Recovery Administration is but a further illustration of this truism, on an unprecedently grand scale. Effective representation for the consumer would lead to consequences too radical for the consideration of the Consumers' Advisory Board. The Board might have been of some help, by forcing

their findings and protests into publicity channels of the newspapers and magazines, in revealing the process by which consumers' interests have been jockeyed out of any bargaining position, had it not been that some of the Board have convinced themselves that the consumer is really being protected, protected perhaps as much as the Consumers' Advisory Board members think he deserves. They attach cosmic significance to the writing of a memorandum which the outsider may be pardoned for not understanding, and the business outsider and the code administrators and deputies for not even reading. It is an open secret, of course, in the National Recovery Administration that Consumers' Advisory Board memoranda were habitually left unread by the deputies in whose hands lay the power of decision on specific clauses in specific codes. The consumer must look elsewhere for assistance.

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## More on Lead and Arsenic

FROM a letter recently received from a technically qualified subscriber:

"I learned of a case here yesterday where a horticulturist (college trained) has been ailing for a long time without knowing what was the matter with himself. Doctors couldn't find much wrong, but he always seemed run-down. Recently he went to a well-known clinic, and they found a peculiar condition at the roots of his teeth which they believed to be the result of lead poisoning. They x-rayed some of his anatomy and believe that the x-rays confirm this diagnosis.

"About this man, he was one of a group of horticulturists who have taken the attitude that there could be no danger of lead or arsenic poisoning in spray residues left on fruits and vegetables, since those who work with the spray in the garden and orchard come in contact with it to so much greater degree than the apple eater, and it doesn't seem to injure the former. Now this man is beginning to realize what contact with sprays for years has probably done to him, and his present position is that if lead arsenate spraying has led to a single case of poisoning, whether of one person eating the product of the orchard or of one person applying the spray, it should be banned by law."

The importance of the dangers we refer to, from arsenic and lead poisoning through residues of the sprays and dusts used to control insects, will be appreciated when more individuals have come into contact with persons who have been poisoned and who, after a long period of expensive medical and other investigation, have found out what the trouble is. Until this wider recognition of the danger takes place, by personal contact and through greater familiarity with the subject by medical men, the situation is likely to get steadily worse, because government officials will pay no attention to it as a practical hazard until the consuming public knows so much about it that it becomes dangerous for the government, as the sole agency nominally protective of the whole population, to continue to ignore it.

## What Brand of Prosperity Ahead?

THE wings of the blue eaglet, now a full grown and somewhat disorderly bird, shadow a multitude of shop windows. Can those who enter doors guarded by this emblem of national approval expect to find a new deal for consumers? Are those who buy at retail justified in an assumption that the business men who function in code authorities and so are clothed with the power of government, will treat the consuming masses as persons who have rights of their own; or are they, in the minds of these men who, in their private capacities, are also the heads of stores and great industries, merely as before, consuming units whose function is to swell sales totals in order that financial statements may show black instead of red, stocks and bonds may rise as fast as possible in the market, and over-expanded properties and inflated capitalizations may be succored and nourished at the breast of renewed and heightened profit-making activity?

To be sure, one might expect to find the interests of consumers duly protected; otherwise would not the Consumers' Advisory Board have been given more power in code formulation and administration; would not the Tugwell Bill have been forced through a business-minded and reluctant Congress instead of being mangled and shelved to the sound of hearty applause from newspapers—owners of which, by their own admission, are the agencies supposedly reflecting the public will?

Housewives, collectively the nation's most important buyer of goods and services, will be relieved to learn that they are to be a recipient as well as an instrument under the new economic set-up. It is entirely proper that the individual consumer should understand the method devised to insure her her "money's worth." Oddly enough it is not a new bureau with an alphabetical title. Protection of consumer interest is to be afforded by none other than our old friend competition—or what remains of competition under General Johnson's variety of "industrial democracy."

The theoretical case for competition is very simple. Let us review it briefly. Self-interest, the theory runs, will lead industry to produce and commerce to distribute the articles the consumer wants. If too much of anything is produced, lowered prices will divert productive effort into other fields. If too little is produced, large earnings of those enterprises already in the field will encourage them to increase output and new, competing enterprises to be set up. Thus the consumer plays the role of director and final arbiter of business destiny. His power to discriminate among the business rivals vying for his patronage will encourage the efficient—those who can maintain quality at low cost—and drive out the inefficient by ruthless but efficacious processes. Under this theory, which forms the backbone of orthodox economic doctrine, those enterprisers (business men) who survive and prosper do so through sheer merit in consumer service and by that means alone. Their zeal to win pecuniary rewards keeps an industrial balance in harmony with the relative importance to consumers of the various commodities

making up the standard of living. Because any sensible person would not expect the actual business structure to have the blue-print perfection of this theoretical analysis, the consumer is asked by disciples of the competitive faith to overlook the use of certain assumptions not strictly in accord with practice. An examination of a few of the rough spots in the competitive road to a consumers' paradise is perhaps not out of order at this point.

The charge that the consumer voice which counts for most in the market is the one that is backed by cash can be dismissed as of little consequence. If millions of consumers cannot interest business in supplying them with the minimum necessities requisite for a decent standard of living, it is because they cannot pay. One can hardly blame business men for catering to the slightest whim of the wealthy when such whims ring the cash register bell. The consumers who cannot buy are at fault for not having more money—or are they?

The remaining consumers who are able to buy should not, however, expect their favorite dealers to compete on the basis of price; it is too dangerous to solvency. Heavy overhead requires that volume of sales be kept up in order to hold cost per unit down. If price-cutting is used to attract customers, business rivals, rather than lose their clientele and face a rising cost for each article produced, will also cut. As a result, unless business volume is increasing generally, no one will get more business—all will face bankruptcy instead. The trade name for price rivalry is cut-throat competition, and any one who indulges in it is a "chiseler." Chiselers have long been outlawed tacitly; now, under the codes, they are outlawed officially. It is most amazing to find officials of the NRA, who should know better, excoriating those whose practices are exactly the ones upon which our whole economic order called capitalism is founded and upon which it depends for such self-regulating and self-purging properties as it has. True, certain irresponsible merchants flit about the country offering "bargains" and "tremendous cut-to-the-bone sales" of everything from *Listerine* to fur coats, but they do not tarry long and so are indifferent to what the local chamber of commerce may think. Unfortunately they do not noticeably care what the customer may think either, when she finds that the beauty of her bargain was only skin deep, and very thin skin at that.

The merchants' drive for volume gives rise to certain other quaint practices. Since they do not dare compete on the basis of price, business men might be expected to compete on the basis of quality. But if the housewife is not smart enough or well-advised enough to know or to be able to find out the length of the lint used in the thread of a garment or the mechanical or electrical efficiency of the mechanism of a refrigerator, she can hardly expect business to provide costly superiority which she does not appreciate or of which she is not aware. Since she has not had a complete technical training in bio-chemistry, metallurgy, dietetics, and electro-physics, how can she be expected to shop around

among amazing compounds, mysterious gadgets, and scintillating finishes, and choose the one most adapted to her needs and purse? But she need not despair. Clever business men have realized her embarrassingly amateur judgment and have provided her with advice she frequently regards as adequate. On billboards, in street cars, in her favorite magazines, she is aided in her choice by the testimonials of movie stars, society matrons, and various sporting champions. If she requires the further assurance of scientific approval, there are impressive foreign physicians with well-trimmed Vandykes and laboratory experts with Ph. D.'s from a "great eastern university" on the company's staff, who present what would give every appearance of being unbiased facts and figures. In addition there are the "institutes" and proving grounds with their signs and seals, and lastly the chatty columnists of newspaper and magazine upon whom she can lean when uncertain or when she lacks a stimulus to revive her shopping zeal.

Competition is supposed to drive out the inefficient, but as failure is not pleasant for the less able producers they may be expected to put up a battle to avoid elimination. If they try to make up in promises what they lack in performance, one should not be too harsh with them; especially since their goods, when new, look like any others and are finished and packaged very attractively. If the consumer is lured by the newest innovations to change her buying habits, industry is supposed to shift to meet her needs. But there is a slight hitch in industrial flexibility. Specialized machinery takes much time to provide and is exceedingly expensive; and labor and equipment cannot shift overnight from making cut-flowers to a production schedule of ping-pong sets or lawn mowers. A heavy inventory of two-piece bathing suits cannot be transformed into one-piece garments. If one up-and-coming innovator is seeking to proselyte the trade by exhaustively declaiming that his new brand of dried gooseberries is sun-sweetened, his go-getter rival will reveal that his brand—standard since 1887—has been nature-sugared all the time. If peach growers claim vitamins A, B, and C, pear packers come back with the discovery of vitamins X, X<sup>2</sup>, and X-O. New

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products shout for patronage, old products shout equally loud to retain what they have, and the only thing certain is that the expense of the ballyhoo goes into the mark-up. It is all somewhat confusing to the housewife who only wants to buy, say, a plain house dress, to find that her timid inquiry is taken as an invitation to seduce her into including a going-away outfit and a formal wrap suitable for Saint Patrick's eve. She might raise a mild protest if she knew that in the price she paid for what she wanted there was included the expense of trying to induce her to change her mind and buy things she did not want. A comforting thought with which to console herself is the knowledge that she is providing a livelihood for thousands of salesmen, decorators, sign painters, advertising copywriters, and radio comics, who otherwise might have to find employment adding to or facilitating the nation's flow of useful goods and services.

Since volume is so important to the cheerfulness of the financial statements, repeat business receives special attention. Although the housewife may want durability and lasting satisfaction from her purchases, she must realize that this would cut in on the resales, and large fractions of business enterprise can no longer live by a single sale of one device or appliance to a customer. Even though the business man dares not go too far in providing merchandise which is quickly consumed or has a rapid rate of depreciation, he solves his problem of resale by making the customer dissatisfied with her new car, new furniture, and new hat, through a change in some minor but conspicuous detail that will date the product and advertise to the neighbors that she can't quite afford to be in the mode and lacks something in smartness—"poor thing, it's too bad that her husband does not make more, etc., b-zzzzzzzz."

This brief survey of competition as a method of consumer protection must have demonstrated that the housewife cannot readily discriminate because of a lack of expert technical knowledge; that her ignorance—unavoidable in the nature of the case—has made it more profitable for business to cater to her credulity than her needs; that the pressure of overhead has reduced industrial mobility and changed the emphasis from altering the goods to suit the customer to altering the customer to suit the goods; that volume of sales can be secured by showmanship and front instead of worth; and, finally, that the housewife must contribute through the retail price of doubtful merchandise the entire expense of the competitive sales war undertaken to prevent her from enjoying a lasting satisfaction from her purchases. Except for these jarring discords in the theoretical symphony, the housewife can rely upon competition and upon the motto of the Rotary Club and of the other gentry who recite glibly the service catechism, to provide her economic protection in the Utopia supposedly attained through the perfect working of the competitive order.

Certain critics—the old meanies—have gone so far as to imply that our current economic philosophy and method confuses, fundamentally, means with ends. Instead of industry's being directed by the consumer, as provided in the competitive idyll, toward the achievement of national security and a cultural standard of living, it has, they assert, been seized by super-egoists with Napoleonic complexes and dreams of domination by acquisition and economic conquest. Our exhilarating rise to power through the exaltation of the spirit of quantitative acquisition has not given us opportunity to consider the worth of all our possessions other than in terms of sheer numerical magnitude. Prosperity, to us, has been a matter of tonnage of car-loadings and of pig iron poured, bank clearings, spindle hours of textile-mill operation, and other abstract quantitative indexes. The consumer's role has been that of an animated gut, an elastic belly, that must be stretched big enough to take off the market the great number of things industry can produce. If indigestion occurs, our concern is not, primarily, with the pains and ill health of the consumer but with the fact that if goods are not disposed of profitably, industry can-

not run unless—happy thought—we can lend money to the Chinese or the Roumanians to buy them.

Standards of living in our economy, the critics aver, have been based on the simple formula that bigger means better. Rich and poor have been educated by artists in sales promotion to believe that their highest destiny—the ultimate goal of human life—lies in having a larger number of the latest styled dog kennels, bridge lamps, motor cars, or motor car accessories than their neighbors. Human personality, so the formula goes, can be best expressed through the display of possessions—culture is best recognized through the size of one's house and the model of car one drives. To achieve final perfection consumers must be kept discontented with all their possessions, no matter how plentiful or how enduring, in order that they will work frantically and discard frequently and thus keep the statistical tables of department store sales and Great Lakes tonnage on the upward trend. Once upon a time our idea of prosperity was a chicken in every pot. Should we have accomplished this laudable ideal, the consumer would have been made to feel poor because it wasn't turkey or

grouse. Households must be prodded into competitive consumption or business cannot expand, and business expansion is, as everyone knows, our most precious privilege—the zenith of human evolution.

These critics can be dismissed by labeling them communist agents, crack-pots, and college professors; and all good, 100%, double-distilled Americans undoubtedly do so. But somehow, after we have consigned the critics to the devil and taken up again the hectic round of American economic life, their ideas linger on to disturb our boastings and pointings-with-pride. There will be some who will wonder if the prosperity now unhappily passed from us was ever, after all, prosperity for consumers. May it not be that the competitive malpractices outlawed by the codes were sometimes not those which robbed the consumer but the ones which interfered with a trade's sincere endeavor to supply nothing for something or at least as little as possible for as much as possible?

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## The High Cost of Advertising

**A**MONG the fallacies which make consumers the victims of their own credulity are the slogans or ideas that "you get just what you pay for" and that "widely advertised brands are always best." The first is easily disproved at times by anyone who finds the same article sold at widely differing prices in the same city. The reports of various laboratories, including CR's, prove conclusively that comparatively unknown brands are frequently superior to nationally distributed ones. Whether you buy shoes, clothes, or automobiles, you get less per dollar in the higher price class, partly because fewer commodities of this class can be sold, and because the cost of selling is appreciably higher.

Taking automobiles as an example—and the same thing holds good in many lines—the cost of selling averages 40% for most cars under the \$5,000 class. This means that when you pay \$1,000 for a car, \$400 of the price you pay has nothing to do with the value of the car itself. The labor, material, overhead, and profit are covered by the \$600, and you pay \$400 for the privilege of being sold the finished product. If by any chance you buy one of the cars in the \$15,000 class, you can count on \$10,000 of the amount going to sales expense. Cars of this class are built in very small quantities, rarely over one a day, and all costs are high. These high costs do not mean greater accuracy of parts or, often, even better material. Modern machining methods make it possible to secure extreme accuracy in the lower-priced cars. In fact, makers of parts bought by all car builders will tell you that greater accuracy of parts is usually demanded for the lower-priced cars than for those which sell for much higher prices, because the greater the accuracy of size of the parts, the more can economies be achieved in the fitting and assembling. The main differences between the \$1,000 and the \$15,000 car are size and weight, and quality of upholstery plus

greater care in the high-priced car in making such things as cushions, door fittings, varnish, and similar details. When it comes to transportation you will get just as many miles from the small car and at much less cost, though probably with somewhat less comfort and a great deal less prestige. The difference saves you \$14,000.

If and when we get a law which compels honesty in advertising, we can determine to what extent widely advertised brands are better, and how much the advertising outlay costs the consumer in his purchase. A little check-up on the cost of advertising some of the small-production cars will show rather astonishing figures. It takes only a few ads to run up a total of \$100,000 in the big magazines and in the ultra-smart or fashion magazines. If these advertisements sell 1,000 cars, that merchandising adds \$100 per car. Some companies build less than half that number so that their advertising expense alone would be over \$200 per car.

Trade-marked lubricating oils are examples of the fallacy of superiority. Almost every oil salesman has a book which gives the trade names of all the well-known oils and their equivalents as marketed by the other companies. A good floor oil is sold at 40 cents a gallon. The miner gets the same oil (sold as a staple and not as an advertised specialty) for his lamp at 9 cents, and the man with an oil burner gets an equivalent oil at 7 or 8 cents. Sad to say, the average consumer has become so imbued with the idea that price and quality go together, that he would refuse to buy floor oil at 9 cents from an honest dealer and prefer to pay the 40 cents to a company which puts out an advertised product and feeds the public's vanity with pretty pictures in the magazines and pretty printing on the label.

AN ENGINEER SUBSCRIBER

# The Expert in Health Education

THE layman reads an advertisement stating that a certain liquid has killed counted millions of germs in a test tube, or that a particular yeast will cure his constipation, indigestion, pimples, or any of a multitude of other symptoms and diseases. He may hear through his radio that an electrical apparatus or violet rays will cure his lumbago, and that such a device can be installed in his own home, and that he may be instructed in its use. He may read in a book on healing how a chiropractor saved the life of a little child who had been given up by the doctors. A popular lecturer may tell him how a special diet will keep him always well and healthy. A physician who has had a six weeks' course in some surgical specialty may propose a formidable and expensive operation; another physician may prescribe a patent medicine of doubtful value. An optometrist may prescribe glasses for a sight defect which proves on more skilled examination to be caused by a malignant tumor. The use of a certain cosmetic recommended by a druggist may be followed by a distressing skin ailment. A neighbor may advise a vitamin preparation to relieve or prevent a "run-down feeling."

Numerous laymen will ignore these suggestions for various reasons, often because of their cost, sometimes through skepticism. Many will follow the suggestions on faith when they seem applicable to their supposed needs. Is such faith justified? A small proportion will consider the suggestions as far as possible on the basis of their merits, and accept or reject each on individual judgment. The layman may have graduated from high school or college, or may be an important banker, or the minister of a fashionable church. He may have ranked high in his geometry class, speak French fluently, or be considered very intelligent by his associates. It is generally assumed that a person of average or high intelligence in ordinary matters or in some particular field can exercise an equal amount of intelligence in matters of health, and that no particular knowledge or training is necessary for understanding and good judgment in such matters. The assumption is quite false. A person may be quite intelligent in general and know nothing of geology; a geologist may know nothing of medical subjects. With what knowledge and wisdom is the layman actually equipped to face the problems of health which arise in his daily life? With what knowledge is he fitted to evaluate the barrage of clever and highly paid advertising propaganda reaching him from every side? Practically none, and the schools provide him with none.

Our schools first concentrated on the classics and have of late added trade courses and a smattering of the arts and sciences. We are well aware, in spite of some recent improvements, that the bulk of the time in most of our schools is spent in stuffing memory work into children instead of helping them to develop their own interests, to learn through doing, to think by being led to think, and to develop the critical judgment of the scientist and the technician. Our tendency in regard to the latter has

been to submerge and thwart the child's efforts to think by insisting upon his gullibly accepting second-hand material rather than to develop his critical faculties.

A great defect in our modern educational system is the lack of teachers qualified as professional or technical experts in any subject whatever, and of those qualified, by their own attitudes and by an objective and unsentimental outlook, to stimulate children to think. Our standards for teachers' training courses have been raised so that teachers know more about teaching methods, but our demands of a teacher for a certain course are all too often limited to the requirement that she know more about that subject than the other teachers in the school and than the pupils who are beginning the course. We see, especially in the secondary schools, teachers of biology, physics, chemistry, domestic science, etc., who do not know enough about these subjects to be really qualified to teach them. The Ph.D. degree has not solved the problem; the standards for this degree are low in many universities; the securing of the degree often does not assure the holder of a sufficiently broad or a sufficient working or applicable knowledge of his subject to justify his teaching it; many doctors of philosophy are poor teachers. An acceptable teacher should have a broad, accurate, and continually growing knowledge of the subject; he should be so close—by daily work in his specialty and not by mere teaching of it—to its content that his hearers will have no doubt of his being qualified in more than a mere bookish sense. Not only should he know the content of his specialty, whether chemistry, physics, or textiles, but he should be able to present it to others in a way which is coordinated, interesting, and easily followed by students.

A second great defect in our school system is the scant provision for teaching about life and living. Many children graduate with acceptable grades, but with a very poor preparation for either the economic or social aspects of the life which they will live after graduation. Those who leave school reasonably well equipped for life usually owe credit elsewhere than to their school. Formerly, the home was expected to teach children how to live. The great majority of homes have never been able to do this except among agricultural peoples where learning and play and useful work and social cooperation are inextricably intermingled. Other homes, because of our social and economic specialization, can no longer provide their children with such preparation for life. Our colleges and universities are almost as bad offenders as the high schools in this respect. Let us consider a few examples. What has the high school or university graduate learned in order better to equip himself for marriage? We quite wrongly assume that the working out of a successful marriage is a simple thing which any two individuals of age and average intelligence can solve without help. The results, familiar to us all, quite belie the common assumption. What does the graduate know of personal relationships? Our churches have not on

the whole been realistic and frank enough to teach him, even if he goes to church. The Boy Scouts, Y.M.C.A., and similar organizations have helped, but their opportunities are limited. The financial success of correspondence courses and books on personal relationships, and the frequency with which such works are resorted to in public libraries should be adequate indication of the need which is felt by every section of the population.

What has the graduate learned as to the protection of his health? The high school graduate has usually had a course or two in physiology or hygiene, often taught by the English teacher or someone equally lacking in training, and a course in zoology dealing mostly with worms, frogs, and dogfish. Is this adequate preparation for the protection of his health? Why has he not had more? Because the curriculum is crowded; because there are few teachers interested in or prepared to teach these subjects, since the rigorous and trying preparation for teaching the sciences attracts few of our young people; because school authorities feel overcome by their inability to cope with the subjects and therefore avoid them and yet resist the invasion of *their* sacred right to teach, by part time experts whose services could be easily and inexpensively drawn in if desired; because it is assumed that we will somewhere somehow acquire this knowledge; and because of the actual and potential opposition of some religious and commercial groups who are alert to defend their interests or fancied interests in the maintenance of the customary curriculum.

There are, of course, certain commercial interests which would welcome the introduction of such courses could they directly or indirectly guide them by control of textbooks and teachers as has been done recently in, for example, the public utility field. The milk distributors miss no opportunity to introduce the hygienic virtues and values of milk into the teaching of the schools.

The student at college may fare rather better than when he was in high school, his zoology course being more advanced, chemistry being added to his curriculum, hygiene being taught by the athletic director or a school physician who was perhaps unable to achieve financial or professional success in his previous practice. Chemistry is usually of little help in health education unless the student majors in it, and even then he will probably receive very little instruction on the hundreds of practical aspects which directly concern his life and health. The possibilities just enumerated presuppose that the student is taking a course in the sciences instead of the arts. Psychology may be included in the curriculum, but mental hygiene, a subject vital to the understanding of the social reactions of his fellows, and the psychology of advertising, economically the most significant of all the applied sciences for the average man, will not be a part of the course. If the student is in the "arts" school, what he is likely to learn of a nature to defend or advance his knowledge of health, nutrition, or medicine will likely be a little less than nothing, in terms of modern scientific knowledge of these subjects.

Evidently the young person of today must depend upon agencies other than our schools and colleges

for his health education. Ordinarily he receives little help at home as his parents are generally more poorly informed on this subject than he is. But there are lectures which he can attend, some of which are good and even interesting. He may, however, give up trying to find an interesting, disinterested lecturer and one he can understand and will very likely find himself seated in the audience of a food faddist, an agent of some shoe company, or some other propagandist. There is little and often no provision for interesting and authoritative talks, and the layman is not qualified to choose. Free lectures provided by school systems, foundations, and the like are often an insult to a person of mature intelligence, in the care with which they avoid controversial subjects and the extent to which they foster customary beliefs and practices and in other ways evade significant issues.

The layman may turn to books related to health, and there are some good ones. But where can he secure a selected list of authoritative works written in popular language which cover the subject well and satisfactorily from the scientist's point of view? Usually the authorities do not write popular books and those who write popular medical books are often not trustworthy authorities. Most of the popular medical books represent the work of an author who, as a middleman, is exploiting the work of competent scientists, and often loses a great deal in accuracy and precision in doing so; others are the work of physicians who are riding a hobby or following a cult of some sort for which they are unable to get serious attention in professional circles. There are *hundreds* of books with some sort of faddist or propagandist or commercial bias, for *one* which is written by a disinterested, trustworthy, and thoroughly honest scientist or technician. Why does not some medical school undertake the writing of a series of authoritative books for popular use? Why do not libraries have a committee of competent physicians, nutritionists, bacteriologists, and others to develop and select books from those available instead of depending upon a librarian untrained in this field, who accordingly leaves the task undone, or depends upon chance advice from people whose qualifications may be, at the very least, dubious?

Magazines offer the layman little help. *Hygeia*, published by the American Medical Association, is apparently the best in its field, and one of the very few at all acceptable, but it has capitulated, to an extent which we find most disconcerting, to the commercial interests who buy its advertising columns. We do not know of any health magazine which publishes wholly acceptable advertising matter or text matter which seems entirely free from influence or pressure by the business interests behind or in one way or another supporting the enterprise. The worst of them, and there are many of these, are simply vehicles for carrying advertising so disreputable that it finds difficulty in securing space in other journals, and for the publicizing of fads and prejudices which likewise are so flagrant that space is denied them elsewhere—except on the radio which, it seems, can stomach anything. Excellent articles appear at times in the health and other journals, but the good and the bad ones, and those half true and half un-

true are so thrown together that it is difficult, if not impossible, for the untrained layman to differentiate at all. On the whole it may be better for him to be denied popular articles altogether than to have misleading and propagandist information mixed in with an occasional good and disinterested discussion.

Much information on health subjects, usually combined with advertising, comes the layman's way through the daily papers and the radio. In fact the bulk of the "health education" of a fair proportion of the public is obtained through these channels. Naturally, this advertising is devised for the purpose of persuading people to buy something. Were these advertisers to tell the whole truth and no untruths, the advertising would usually not add to the sale of the goods. Since such advertisers are protected, by the attitude of the courts which are extremely tolerant of misleading statement and puffery, in going to nearly any length and since only the most obvious frauds are barred by popular magazines and other commercial advertising media, medical and health advertisements can get away with almost anything, within reason, granted a certain delicacy or indirection of statement. Accordingly the advertising columns of even the best newspapers, and the outpourings over the radio, are filled with all sorts and degrees of misrepresentation. The radio has a great advantage in that it can leave an impression without a definite record, and can accordingly stretch to greater lengths the weak legal and other protections afforded the consumer. What layman can thread his way through the maze of facts, half truths, and falsehoods pervading the advertising of products related to health with any degree of assurance or accuracy? The brazen disregard of the truth and even of decency in advertising and the handsome commercial returns achieved, in spite of this, are sufficient evidence of the helpless ignorance and credulity of the public in this field as compared with most others. It is safe to say that were the layman educated to discriminate accurately among patent medicines and other "health products" the sales of these goods would fall to less than 10% of their present level.

What might a practical program of health education for all age groups become, using the knowledge and agencies available today? First, a definite program might be introduced in our schools and colleges, possibly on an experimental basis at the outset, combining the use of expert knowledge with an opportunity for students to learn by doing and thinking and by discussion. Such courses would be conducted by physicians or those trained specifically in the subjects taught, e.g., anatomists, nutritionists, bacteriologists, and physiologists. Medical schools long ago learned that special subjects are best taught by those specializing in and practicing these subjects, and the standards of the best medical education are probably higher than those of any other professional group in this country. The fundamentals necessary to the education and well-being of the layman in anatomy, physiology, bacteriology, pathology, analysis of symptoms, consideration of curative measures, and the prevention of disease and injury, could be taught separately or as one coordinated course over a period of years. The

experts could handle the courses in several schools by moving from school to school, either as part or full-time teachers. The subjects should be taught in ordinary language in a manner interesting and applicable to lay students and should be pointed up as fully as is practicable with laboratory and other demonstration work. The nearest present approach to such a course is the post-graduate physical education course given by a very few colleges and universities.

The subjects of such a course as has been described are closely related to the daily life of every student, and of much more importance to him (and to everyone about him) than algebra, Latin, or Chaucer. How much more could be done to control syphilis by teaching its bacteriology, pathology, and prevention to high school students than by our present futile and perfunctory methods! Knowledge of syphilis is of importance to many more people than is knowledge of geometry. How much more rational would be the student's conception of the action and values of drugs had he a few fundamental principles in mind, and knew, for example, how very few were the drugs which actually had potency to cure disease! It would not be profitable, for example, for manufacturers of various ointments and liniments to vie with each other in advertising copy over the depth of penetration of their respective golden eggs when the student learned that none of them is absorbed by or becomes a part of the skin, and accordingly none of them can have any miraculous curative effect.

Popular medical knowledge is taken for granted and considered simple because it is easy for students to "get by" their hygiene courses in college, and because such courses are more or less neglected by faculty and student alike. For the average student who is not going into scientific work or teaching, hygiene will be far more important for the rest of his life than will chemistry or botany, for example. Instead of a set of sterile lectures, let hygiene be taught with dignity, thoroughness, careful preparation, and the kind of laboratory and demonstration work used in courses in chemistry and physics. Then there will be a difference in attitude, and hygiene will not be just a course which students have to pass. Perhaps when students learn something about the science of nutrition from people who know a great deal more about it than members of Congress, it will no longer be possible for a chairman of a senate committee having the power of revision over a food and drugs bill introduced for the protection of the consumer, to act at the same time as the highly paid radio ballyhooer for a patent medicine manufacturer. Perhaps when they learn the symptoms of appendicitis there will be fewer deaths from its dreaded complication, peritonitis, caused by the administration of a laxative or by unwarranted delay. Nor will they neglect the proper care of a respiratory infection under the delusion that a few drops of some aromatic liquid in the nose or a salve on the chest will prevent or cure such a condition.

The applicability of such courses as are here suggested has been tested on a small scale by the present writer with a group of college men in a summer camp, and the response was enthusiastic,

the need evident, and the results most encouraging.

The principles of this school program may be extended to adult education through the medium of extension courses and demonstrations, town and county forums, and discussion groups in school, college, and community. The last two methods have been tested on a small scale also, and the response was excellent. These tests were based on voluntary attendance and it was found that, as the course continued, there was not the usual drop in attendance.

A women's discussion group has been observed in which the relation of diet to mental activity was discussed at length by a paid leader who had no training in dietetics, who knew much less about it than the average housewife, and who stressed, for

example, the nourishing qualities of plain tea! Perhaps this incident will serve to emphasize the importance of providing expert and qualified guidance for a group studying any scientific subject.

In summary, we advocate the introduction of courses in health education into our institutions as part of the regular curriculum under the direction of experts not responsible to political or commercial interests. Such courses should be thorough, interesting, thought-provoking, practical, and supported by laboratory and demonstration work and discussion. Similar programs should also be included as a part of the adult education movement. They are essential in every substantial educational sense in every part of the general educational field.

A PHYSICIAN SUBSCRIBER

## An Enemy of Consumers

**I**n order to call the attention of certain ministers and of editors of liberal and religious magazines to the developments in the proposed revision of the Food and Drugs Act, and to enlist their support for CR's bill H. R. 8316, Consumers' Research sent out a letter to these groups the latter part of March. The following correspondence, which is self-explanatory, was one result.

April 8, 1934

Consumers' Research, Inc.  
Washington, New Jersey

Gentlemen:

On March 31, 1934, you sent a letter with two inclosures to the pastor of the First Presbyterian Church at Kansas City, Mo.

Today he turned all these papers over to me without instructions. I have read them. They prompted this letter on my part, for which I assume responsibility.

I have had a very extensive experience as a consultant, counsel, and witness in matters of litigation involving pure foods, drugs, the Federal Trade Commission, the Federal Radio Commission, the Bureau of Chemistry, the Fraud Order Division of the Post Office Department, the American Medical Association, the National Better Business Bureau, and in general the grafting, racketeering, "pay off," and corrupt governmental and extra-governmental agencies which are so carefully organized and so meticulously administered for the extortion, extaction, and collection of graft.

The original Pure Food and Drugs Act, the Cope-land-Tugwell Bill, and the new Consumers' Research Bill (H. R. 8316) all have the same objections:

1. They are unconstitutional.
2. The trials or hearings are not held before a court of competent jurisdiction.
3. They do not provide for a trial by jury.
4. They confiscate private property—
  - a. without trial by jury,
  - b. without appraisal,
  - c. without compensation.

The hearings before these various boards, commissions, and bureaus are a farce and have become

only a means of collecting the "pay off." No amount of evidence as to honesty, probity, fairness, or excellence of product avails anything in default of the "pay off." In the "pay off" \$25,000 is a still small voice, \$50,000 may be persuasive, \$100,000 may rise to forensic eloquence, \$500,000 to \$1,000,000 will win your case unless some rival concern pays more. The Congressional Record is full of the evidence.

This wholesale corruption has ruined business, driven capital into hiding, paralyzed transportation, and has finally resulted in a complete breakdown of law. The sooner our government gets back to some of the principles of common honesty, the sooner we will be justified in some respect for law. At present the Bill of Rights is a joke and the Constitution of the United States is a "scrap of paper."

Very truly,  
(signed) E. M. PERDUE, M. D.

*Copy to President Roosevelt*  
*Copy to Congressman Shannon*

April 23, 1934

Dr. E. M. Perdue  
45A East 32d Street  
Kansas City, Missouri

Dear Dr. Perdue:

Thank you very much for your letter of April 8. I am more than interested in the happy blend of medical and legal philosophy found in your letter. You are the first physician so far who has been frank enough to say in effect that he is interested in property rights above consumers' health. I have no doubt that hundreds of business men connected with or interested in the drug trade or the Abrams\* type of enterprise feel much the same way.

I have a little difficulty in understanding why any medical man is so much concerned, as though it were by any stretch of the imagination a paramount issue of the problem of protection of consumers, with "ruined business," "driving of capital into hiding," "paralyzing of transportation," and "breakdown of law," but finds no room in his argument

\* A famous California quackery by which disease was "diagnosed" by the readings of a mysterious instrument called the "oscilloclast."

for discussion of the harm done to digestive tracts of those eating foodstuffs containing sulphurous acid, lead, or arsenic or all three, as a number of foodstuffs do, or the grave impairment of the bodily health of the unfortunate users, let us say, of *Koremulu*, the rat-poison used for cosmetic purposes, or a score of other poisons or dangerous proprieties or cosmetics that will readily come to the mind of any person moderately well-informed in the field of patent medicines and related quackeries.

Yours very truly,  
(signed) F. J. SCHLINK.

April 26, 1934

Consumers' Research, Inc.  
Washington, New Jersey

Mr. F. J. Schlink:

Your letter of April 25 just received, by its irony, facetiousness, and adroit attempts at misinterpretation of my letter of April 8, confirms my idea of your total lack of *bona fides*.

I am an educated man. I have practiced law and medicine for over thirty years. I am very familiar by experience and practice with these commercial agencies (not for profit) which take such a great interest in the public weal.

I am an Eclectic and Homeopathic Physician. Our ethics are the patient first and above everything. I prescribe Eclectic and Homeopathic remedies in my own office. I do not send my patients to the drug store. My practice is not concerned with proprietary remedies.

The only cosmetic I use is a good quality of soap. *There is no arsenic, sulfurous acid, or lead in whole wheat flour, corn meal, potatoes, apples, grapes, cabbage, lettuce, and fresh meats.* [Italics ours—CR]

I was a witness and of counsel in the case of *United States vs. Johnson* in which we broke the first Pure Food and Drugs Act. This act as well as all others of its ilk was devised and administered solely for the purposes of graft. This was the paramount purpose of the Tugwell Bill.

The American Medical Association, the National Better Business Bureau, and all the other institutions of like nature are organized and hooked up with the various commissions, boards, and bureaus of the federal government for the sole purpose of the extortion, exaction, and collection of graft.

Your smoke screen of the bodily health of the "dear people" does not deceive anyone.

There is not one iota of good faith in any of this propaganda. You do not deceive the public.

Very truly,  
(signed) E. M. PERDUE, M. D.

*Editor's Note:* On checking on Dr. Perdue's qualifications, we received the following information from the American Medical Association:

"E. M. Perdue, M. D., Kansas City, Mo.—Dr. Perdue is 'Chairman' of the 'Section on Cancer' and is to tell 'How to Kill Cancerous Tumor' by 'Deacquification, by Chemical Substitution, by Electro-thermal Coagulation and by Diathermy.' Perdue has for some years been associated there with O. A. Johnson, who as a cancer cure quack, got into trouble with the federal authorities some years ago, at which time a quietus was put on his mail-order cancer cure. Perdue's name used to appear in the 'catalog' of a low-grade medical school that ran for some years in Kansas City known as the Eclectic Medical University. It went out of existence in 1918. Practically every state in the Union refused to recognize the school or to admit its graduates to their examinations. On the 'faculty list' Perdue's name appeared as a 'Professor of Anatomy' and also as a 'Professor of Chemistry and Physiology' to say nothing of 'Professor of Preventive Medicine.' Perdue's name has appeared on the program of the 'American Association of Progressive Medicine' which was operated by such individuals as Simon Louis Katzoff, R. Swinburne, Clymer, Orin W. Joslin, George Starr White and others of a similar stripe. Perdue is not licensed to practice medicine in Missouri." (The *Journal of the American Medical Association*, Sept. 19, 1925.)

## The Hoover Is Above a Mere Standardized Comparative Test of Vacuum Cleaners

THE *Journal of Home Economics* has given space in its March, 1934, issue to a report prepared by Miss Madge E. Dilts, on the dirt-removing properties of vacuum cleaners. Miss Dilts, the *Journal* informs us, is a graduate of Michigan State College and has a Master's degree in bacteriology from the University of Michigan. She "has been with the Home Economics Department of the Hoover Company since 1931."

This report, with the impressive title, "A Method for Determining Quantitatively the Comparative Ability of Electric Cleaners to Remove Dirt from Rugs and Carpets," goes to some lengths to prove that the use of standardized artificial methods of soiling carpets and rugs in the testing of vacuum cleaners gives unreliable results—that only carpets which have been embedded with "natural" dirt by

a "natural" process should be used for testing cleaners.

Two vacuum cleaners, A and B, are compared. Cleaner A (will any home economist doubt that it is a *Hoover*?) shows much better performance, both in the rate of removing the "natural" dirt and in the total amount removed, than cleaner B. These results (and some 1900 other tests made under "artificial" conditions) prove to home economists, devoid of engineering training and skills, that the only dependable way to compare the cleaning abilities of vacuum cleaners is to use them on a carpet which has been embedded naturally with "real carpet dirt"—that is, by the tread of human feet and by the movement of furniture over carpet." Unfortunately "natural" dirt is not defined exactly, and everyone knows that household dirt is not a well-

known standardized substance like a liter of benzol, or a kilogram of anhydrous dextrose. In fact, we are inclined to believe that the "natural" carpet dirt which collects in the home of a banker or professor of Greek is more than a little different in its constituents from that which collects in the home of a plasterer or garage mechanic. This insistence on the part of a representative of the Hoover Company that only an undefined and unreproducible "natural" dirt be used in testing vacuum cleaners is a nice technique for avoiding the results of standardized comparative tests. In fact, it makes it quite possible for the *Hoover*, for example, always to be rated higher than any other sweeper by the simple process of finding a carpet with the right kind of "natural" dirt which only the *Hoover* can remove most effectively, in comparison with other vacuum cleaners. If the *Hoover* removes it best, no doubt it's true "natural" dirt. If some other cleaner does it better, it's "unnatural" dirt from the home perhaps of a *Ford* owner, or a user of an old-fashioned ice-box.

In passing, we suggest to the editor of the *Journal of Home Economics* that such studies as the above should be submitted to a qualified, unbiased technician who has no financial stake in the issues, before being allowed to appear in what is generally taken to be a reputable professional journal. It is hard to understand why a Master's degree in bacteriology and two or three years with the Hoover Company should qualify one as a competent and unbiased authority on vacuum cleaner tests, which is decidedly a matter of engineering and physics, and not of an amateur grade, at that! The Air-Way Electric Appliance Corporation has developed some rather unique theories in the field of bacteriology of helpful significance to the *Air-Way Sanitary System*, but we had supposed that the Hoover Company, being a manufacturer with a certain degree of interest in technical matters, was carrying on its technical work through the services of technicians qualified in the field under consideration. Bacteriologists and home economists do not qualify.

D. H. PALMER

## The Tugwell-Copeland Bill

*Reprinted, by permission, from Medical Arts, Indianapolis, Indiana, February, 1934*

WE do not know what will be the outcome of the congressional consideration of the Tugwell-Copeland Bill for revision of the Pure Food and Drugs Act, but we do know that this bill is calling forth many protests as should be expected. It is significant that the most vehement of these are coming from those manufacturers of products which are nationally and locally advertised in such a way as to produce a nausea in one acquainted with the facts.

Advertisers, of course, are not for this bill. To them advertising is a profession, calling for the exercising of persuasive skill to induce the public to buy, regardless of the merits of the product. Magazines whose greater income is derived from advertising also are not for this bill. They would naturally be committing a business blunder not to take up cudgels against something which will reduce advertising space. If one looks at the question squarely, the much touted slogan of "Truth in Advertising" is a snare and a delusion. There is not much truth that can be observed in the subject as a general thing.

One can pick up any of the more or less high-grade popular magazines and see an illustration on nearly every page of seductive and fear-producing advertising intended to persuade or frighten people to purchase some product or another. To illustrate:

One of the worst offenders is a well-advertised, so-called mouth-wash and destroyer of "halitosis." This is the well-known "Liquor Antisepticus, N. F." long known to the medical profession. The advertising is filled with untruths by innuendo. Scientific investigation of this product has been made by the American Medical Association whose report is a matter of record decidedly refuting the claims and inferences made by this advertising. In fact, its

chief claim to any antiseptic power is by virtue of its alcoholic content. Yet, our best magazines accept this advertising as a matter of good business, disregarding the truth or falsity of the statements made. So, why should the magazine be in favor of limiting such advertising space? Another well-known advertiser of aspirin would have you believe that all other preparations are nostrums EXCEPT THEIRS, in fact they state that "Here's Quickest, Simplest Way to Stop a Cold." Is it? If so, that is news! And they say that it works almost instantly. What a panacea!

A popular advertiser of milk of magnesia deserves special consideration. Crossing the "Fatal Forty" line is a favorite with the advertisers, and now this company has taken up the banner. We had thought, however, that this form of appeal was limited to those obscure ailments in men which are considered by advertising quacks with veiled hints of waning exuberance when a MAN passes forty, having some connection with a mysterious prostate gland. Now they have invaded the feminine sphere. This advertiser solemnly states that "doctors" have said that one is doubly subject to acid stomach after forty. It might be interesting to have the statistical basis for this statement. The signs of acid stomach as given are odd also, quite forgetting that acid stomach is associated with these signs and is a symptom only!

We might go on for pages and pages pointing out the various ridiculous statements made by eminent foreign doctors, the amusing and tragic contentions of the competitive cold-cure firms, and the advice-to-lovelorn arguments of tooth-paste and soap sellers, but to do so would be to repeat facts which are perfectly obvious to anyone who is of an analytical mind. Suffice it to say the humorous publication "Ballyhoo" has seen the point quite clearly....

# Small Electrical Cooking Appliances

**I**N 1930, tests were run for CR on various electrical cooking appliances—10 toasters, 7 waffle irons, 6 table stoves, and 5 table grills. The results of these tests were made known to subscribers in the bulletins and *Handbooks* printed during 1931 and 1932. It was recently decided to bring our information up to date on these appliances by the purchase and test of the identical or superseding models.

We learned, upon attempting to purchase the appliances, that 11 of the 28 makes originally tested had been superseded by corresponding models of more up-to-date design, 9 appliances were still on the market with very few changes, while the manufacture of 8 types had been discontinued entirely. The 20 models—9 toasters, 3 waffle irons, 6 table stoves, 2 table grills—still available were, therefore, purchased and tested for CR. The results of these tests are reported below.

The lack of even reasonable stability in the electrical appliance field is well illustrated by this attempt to purchase for reexamination and reclassification, models which were placed on the market only a little more than three years ago. Evidently, as we have previously noted, consumers cannot ever place reliance on a general recommendation or approval by any agency of a whole line or group of any particular manufacturer's products. In a rapidly fluctuating market, models which are cheap to manufacture are often quickly and without notice substituted for more expensive or better designed appliances in order to meet competition in a particular price class. These "fighting brands" may stay on the market but a few months, or they may permanently occupy the field. Hence, it is quite impossible on such products to supply test data which would be of any considerable value to consumers. Consumers have no assurance that if the manufacturer puts out a good model this year, a new model which supersedes it in six months will be of an improved quality or even as good. This study shows that even in those few cases where old models were actually superseded by new types, very little actual improvement in the appliance was evident. On the contrary, there appears in some cases to be a definite lowering of standards of workmanship and characteristics that determine quality.

For comparison purposes, and because some of the makes and models originally tested will, no doubt, long remain here and there on retail shelves and so will be sold to consumers, we are repeating the old listings in condensed form. We have, therefore, divided the listings of each type of appliance into two groups: the first, ratings based on the findings of the 1930 tests; the second, ratings based on the result of the supplementary tests just completed. All prices listed are the list prices for the appliances at the time the tests were made (summer of 1930 and the winter of 1933-34) and are given for comparison purposes mainly, as prices in this field fluctuate rapidly.

## TOASTERS

### Ratings Based on Results of 1930 tests:

#### A. Recommended

*Toastmaster* (Waters-Genter Co., Minneapolis, Minn.) \$12.50.

#### B. Intermediate

*Handy Hot* (Chicago Electric Mfg. Co., 2801 S. Halstead St., Chicago) \$1.75.

*Hotpoint*, Cat. No. 156T25 (Edison Electric Appliance Co., 5600 W. Taylor St., Chicago) \$4.

*Radio-Matic*, Cat. No. 159T33 (Edison Electric Appliance Co.) \$10.

*Toast Watch*, Article No. K1232 (Manning, Bowman Co., Meriden, Conn.) \$11.

*Starite* (Star Electric Toaster, Fitzgerald Mfg. Co., Torrington, Conn.) \$3.75.

*Universal* (Landers, Frary & Clark, New Britain, Conn.) \$4.50.

#### C. Not Recommended

*White Beauty Electric* Co. (Chicago) \$2.25.

*Central Flatiron Mfg.* Co. (Johnson City, N. Y.) \$1.75.

*Knapp-Monarch* Co. (Belleville, Ill.) \$1.60.

### Ratings Based on Results of 1934 tests:

#### A. Recommended

*Hotpoint*, Model A33, Cat. No. 159T25 (General Electric Co., Bridgeport, Conn.) \$4. Good workmanship.

#### B. Intermediate

*Victory* (Chicago Electric Mfg. Co.) \$1.90. Fair workmanship. Toasted unevenly.

*Toastmaster* (Waters-Genter Co.) \$11.50. Excellent workmanship. This model toasts both sides of one slice at one time. Fully automatic, including adjustable timer which varies the time of toasting at any setting as the toaster heats up. Rated **B** due to shock hazard (not found in old model).

*Manning-Bowman* (Manning, Bowman Co.) \$12.50. Good workmanship. Toasts two slices both sides at one time. Automatic. Control lever found to stick; clockwork mechanism did not work properly after life test.

#### C. Not Recommended

*Betsy Ross* (Central Flatiron Mfg. Co.) \$1.40. Poor workmanship. Doors stuck badly. Burned out while under test. Evident shock hazard.

*Reverso* (Knapp-Monarch Co.) \$1.55. Poor workmanship. Doors stuck badly. Evident shock hazard.

*Star Electric* (Fitzgerald Mfg. Co.) \$3.50. Good workmanship, but evident shock hazard.

*Universal* (Landers, Frary & Clark) \$4. Fair workmanship. Difficult to turn toast without grasping base. Evident shock hazard.

*Hotpoint* Model B 33, Cat. No. 159T23 (General Electric Co.) \$7. Good workmanship. Puncture test indicated potential shock hazard.

## WAFFLE IRONS

### Ratings Based on Results of 1930 tests:

#### B. Intermediate

*Armstrong Waffle Iron*, Model W (Armstrong Electric & Mfg. Corp.—now the Armstrong Appliance Corp., Huntington, W. Va.) \$10.

*Edicraft* Waffle Baker (Edicraft Division of Thomas A. Edison, Inc., Orange, N. J.) \$19. (The rating of this iron is based on tests other than those conducted for CR. No attempt was made to purchase this model for retesting.)

*C. Not Recommended*

*Monarch* Waffle Iron, Cat. No. 960 (Knapp-Monarch Co., Belleville, Ill.) \$7.50.

*Empress* Waffle Iron (Fitzgerald Mfg. Co., Torrington, Conn.) \$11.

*Westinghouse* Waffle Iron, Cat. No. CR22 (Westinghouse Electric & Mfg. Co., Mansfield, Ohio) \$14.50. *Central Flatiron* Mfg. Co. (Johnson City, N. Y.) \$9.50. *Bersted* Electric Waffle Mold, Model No. 214 (Bersted Mfg. Co., 5201 W. 65 St., Chicago) \$7.

*Proctor* Automatic Waffle Iron, No. 100 (Proctor & Schwartz Electric Co., 700 Tabor Rd., Philadelphia) \$15.

**Ratings Based on Results of 1934 tests:**

*C. Not Recommended*

*Westinghouse* Waffle Iron, Cat. No. WF-4 (Westinghouse Electric & Mfg. Co.) \$6. 600 watts. Only fair workmanship, as compared with good workmanship in the earlier model. Insulation punctured at somewhat lower voltage than earlier model, indicating somewhat greater potential shock hazard. Like the previous model, it has temperature indicator but no overflow ring. Expansion hinge did not work properly. Appliance very unsteady, because insulated feet were of uneven length. Temperature measured at the supporting surface or table top was excessive, and sufficient to damage ordinary varnish. Cooked well and was economical, relatively, in use of electricity.

*Proctor* Thermostatic Waffle Iron, No. 15102 (Proctor & Schwartz Electric Co.) \$10. 700 watts. Good workmanship, as compared with excellent in the earlier model. Has overflow ring—absent in earlier model. Automatic heat control as before. Excessive leakage current, and "flash over" during high voltage test indicated serious shock hazard, but probably less than in the previous model. Waffles well-cooked, but not quite uniformly. Economical, relatively, in use of electricity.

*Bersted*, Model No. 243 (Bersted Mfg. Co.) \$4.50. 625 watts. Workmanship fair, as before. Still some shock hazard, but not so serious as in previous model. Like the earlier model, has no overflow ring. Expansion hinge did not allow sufficiently for rising of the waffle; this, and small waffle capacity, caused spill-over of almost  $\frac{1}{2}$  cup of batter. Cooked fairly well and was economical, relatively, in use of electricity.

**TABLE GRILLS**

**Ratings Based on Results of 1930 tests:**

*A. Recommended*

*Universal*, No. E9862 (Landers, Frary & Clark, New Britain, Conn.) \$8.50.

*B. Intermediate*

*Star-Rite*, Type A (Fitzgerald Mfg. Co., Torrington, Conn.) \$6.

*Armstrong* (Armstrong Appliance Corp., Huntington, W. Va.) \$9.

*Hotpoint*, Cat. No. 11669 (Edison Electric Appliance Co., 5600 W. Taylor St., Chicago) \$10.

*C. Not Recommended*

*Universal*, No. E9894 (Landers, Frary & Clark) \$13.

**Ratings Based on Results of 1934 tests:**

*A. Recommended*

*Universal*, No. E9862 (Landers, Frary & Clark) \$9. Good workmanship. Deflector plate may be used as a shallow cooking pan or griddle.

*C. Not Recommended*

*Universal*, No. E788 (Landers, Frary & Clark) \$15. Good workmanship. Gives three degrees of heat controlled by a switch mounted on attachment plug. Deflector plate can be used as a shallow cooking pan or griddle. Evident shock hazard.

**TABLE STOVES**

**Ratings Based on Results of 1930 tests:**

*A. Recommended*

American Electrical Heater Co., Cat. No. 3321 (Detroit, Mich.) \$7.50.

*B. Intermediate*

Bersted Mfg. Co. (5201 W. 65 St., Chicago) \$3.75.

*White Cross* (National Stamping & Electric Works, Chicago) \$1.80.

*Hot Spot* (Proctor & Schwartz Electric Co., 700 Tabor Rd., Philadelphia) \$2.85.

*C. Not Recommended*

Manning, Bowman Co., Article No. 25 (Meriden, Conn.) \$9.25.

Knapp-Monarch Co., Cat. No. 370 (Belleville, Ill.) \$1.60.

**Ratings Based on Results of 1934 tests:**

*A. Recommended*

Knapp-Monarch Co., Cat. No. 210. \$1.50. Good workmanship. Certain faults of previous model have been eliminated in that the cord now has conductors of ample size, insulating bushing has been put into the frame, and the under plate has been painted black to prevent rust.

*White Cross* (maker's name no longer given) \$1.50. Good workmanship.

*C. Not Recommended*

Bersted Mfg. Co., Model No. 16. \$1.25. Fair workmanship. Some shock hazard.

American Electrical Heater Co., Cat. No. 3221. \$7.50. Good workmanship. Shock hazard, due to poor insulation, was found to such an extent that it warrants our changing rating of this model stove from the *A. Recommended* group to the *C. Not Recommended*.

Manning, Bowman Co., Article No. 25. \$7.50. Good workmanship. Excessive shock hazard. (Current leakage more than one hundred times greater than the standard safe limit set by the electrical utilities.) As with previous model, the unplated cooking surface showed signs of rust before test was completed.

*Proctor Hot Spot*, Model No. 601. (Proctor & Schwartz Electric Co.) Good workmanship. Evident shock hazard.

## So-Called Sunburn-Preventive Preparations

THAT season of the year is now with us when week-enders return to work on Monday a bright, boiled-lobster color and move painfully and cautiously about, shrinking from a chance brushing of arms, legs, or shoulders. In spite of doctors' warnings concerning the dangers of excessive exposure to the sun and the admonition of beauty columns that tan may or may not be fashionable, a large section of the population, male and female, would consider their summer a total loss if they failed to acquire a good coat of tan, and will take considerable risks of overdosage to do so. Exposure of the body to sun and air in moderation no doubt has a healthful effect, but like all good things it is very often greatly overdone. Dr. Charles F. Pabst of the Greenpoint Hospital, Brooklyn, points out\* that some individuals are extremely sensitive to the effect of the sun's rays, and their skin will burn but never tan. Such people will do well to protect themselves by wearing large hats and avoiding direct exposure as much as possible, since ointments, greases, sunburn lotions, applied either before or after burning, will be inadequate to prevent serious discomfort. Occasionally serious illness and need for hospital care is the result of excessive sunburn at the beach or resort.

Dr. Pabst in the article already referred to gives five rules which he says will prove beneficial to those who wish to acquire tan and avoid sunburn.

1. Acquire tan gradually by means of short periods of exposure.
2. If you are the type that does not tan, don't allow yourself to get sunburned.
3. Don't sleep on the beach in the sun.
4. Remember in fishing or sailing that you may be burned from the ultra-violet light reflected from the water.
5. Protect yourself from the direct rays of the sun during June, July, and August.

Those who have tried to mitigate the first burning of the skin by the use of the various so-called sunburn preventives on the market will be interested in the results of CR's tests of several of the preparations.

The method of test used is described by L. Stambovsky in *Drug and Cosmetic Industry*, July, 1933, as follows:

"The anterior portion of the forearm being very sensitive and convenient is selected as the field of exposure. Starting about one inch from the elbow, sections about one inch wide are laid off concentrically and partitioned by strips of adhesive tape  $\frac{1}{8}$  inch wide which are wrapped around the forearm at each point of division. This gives a sharp line of demarcation. The first segment is used as a control. The next and following segments as test areas. Apply the preparation under observation in these segments in a film comparable to the manner it would be used in actual practice.

\* "Are you a Heliophobe?" *Medical Mentor*, April, 1930.

"Expose to a 350 watt Hanovia mercury arc lamp which has not been used more than 500 hours. Measure the distance from the burner to the target until there is a gap of exactly 15 inches. Verify that the area is level and equally radiated. Before commencing the radiation, the lamp should have been burning at least 10 minutes in order that its maximum output shall have been attained. Expose for 20 minutes."

The lamp used in CR's test\* was a Hanovia quartz lamp, Luxor model, 10 volts, 5 amperes, exposure 6 minutes† and 8 minutes‡ respectively at 20 inches on three members of CR's staff who kindly volunteered to act as guinea pigs for the experiment. The inner portions of the forearms were divided into sections separated by narrow strips of adhesive tape. Each section, except one reserved as a control, was covered by an application of a different one of the five preparations being tested. Each lotion was assigned a number which remained the same throughout the test. In order that any variation in the reaction of the various parts of the forearm to the action of the ultra-violet rays might be taken into account, the sequence of order of the lotions on the right arm was the reverse of that on the left. Exposure to the lamp for 6 minutes in one case and 8 minutes in the other two produced very interesting results although these were not apparent until several hours after the tests were made. None of the five preparations afforded complete protection since every section showed some redness. The preparations which appeared to afford considerable protection were *Dorothy Gray's Sunburn Cream* and the formula from *Drug and Cosmetic Industry*. The other three afforded little, if any, protection, since the sections to which they were applied were quite red. In view of the fact that there were faint red streaks on at least one of the sections covered with *Dorothy Gray's Sunburn Cream* and with the prepared formula respectively, it is believed that even the best of these five preparations will not afford complete protection against sunburn. The two listed as intermediate will, however, be of some value.

### B. Intermediate

*Dorothy Gray's Sunburn Cream* (Dorothy Gray, New York City) 6 fl oz approximately, \$1.41 purchased at R. H. Macy & Co.

Formula for Sunburn Preventive Cream from *Drug and Cosmetic Industry*, made up by a local druggist (6 fl oz approximately, \$3) and consisting of:

Quinine bisulphate	2.5%
Cholesterin base	25.0%
Mineral oil	12.5%
Alcohol	10.0%
Water	49.5%
Perfume	0.5%

\* Conducted by D. H. Palmer of CR's staff with the assistance of W. H. Varney, M.D., of Washington, N. J.

† The equivalent of about  $1\frac{1}{2}$  hours of June sunlight at sea level and at latitude of Washington, D. C.

‡ The equivalent of about 2 hours of June sunlight at sea level and at latitude of Washington, D. C.

The coloration of the arm under this preparation was streaked, indicating that the mixture as applied was not homogeneous.

#### C. Not Recommended

*Valaze Sunburn Oil* (Helena Rubinstein, New York City)  $5\frac{1}{2}$  fl oz approximately, \$1.88 purchased at R. H. Macy & Co.

*Sun Tan Oil* (Norwich Pharmacal Co., Norwich, N. Y.)  $1\frac{1}{2}$  fl oz approximately, 35c purchased at a Rexall drug store.

*Life Guard Tan* (Solar Laboratories, Ocean City, N. J.) Powder, with water added as directed, made up 2 fl oz approximately; 50c. Circular claims essential ingredients are iron and vinegar.

In selecting sunburn preventives for test, a number of preparations were purchased that made vague claims such as "For Burns," "All-Purpose," "For Sunburn." More critical and leisurely examination, however, of the circulars or boxes indicated that they were intended to be used for relieving a burn, not as preventives. In purchasing a so-called preventive, scrutinize the label carefully so as to be sure you are getting the type of product you want. Possibly the manufacturers of some of these products do not mind a little ambiguity or suggestion of a double purpose in their product in the form of its labeling. As Dr. Pabst, quoted above, points out, a severe sunburn is to be taken seriously and should be treated by a physician. Mild cases, however, may be relieved by application of a mixture of lime water and linseed oil, half and half, according to one expert. Pure olive oil or olive oil with 1% thymol may be of some value also.

M. C. PHILLIPS

## Automobile Finance Companies

FROM his experience as a collector of delinquent accounts for a retail automobile finance company, a subscriber advises that buying an automobile on a monthly payment basis is too expensive for the buyer. The finance charges (on a 12-month payment account) range from \$40 on the first \$100 to be financed, downwards as the amount financed increases. Then if the current monthly payment becomes ten days overdue, a collector is sent out on the account, and a fee is charged for the delinquency, ranging from \$2.50 upwards. The lease, bill of sale, or conditional sale agreement usually states that when a payment becomes delinquent, 15% of the payment can be collected as a fee for delinquency. If the purchaser refuses to pay the fee then, it is added to the last payment, and the title is withheld until the amount demanded by the finance company is paid.

If the car is repossessed by the finance company (their privilege if one payment becomes delinquent, since the agreement usually specifies that in that event the outstanding due balance is immediately due and payable), and then resold for less than the balance owed by the purchaser, in Pennsylvania, a "deficiency judgment" for the difference still owed to the finance company may be had by the company against the purchaser from whom the car was repossessed. This often occurs when the car is wrecked before the purchaser finishes paying for the car. In

Pennsylvania, the bailment lease contract gives the purchaser no equity in the car until every dollar is paid to the finance company.

Where the purchaser becomes too delinquent after several payments, the account is refinanced. This means that the balance due the finance company (which includes the finance charges on the first amount) is made the basis for more finance charges, and new monthly payments are set up—usually smaller in amount than the original payments.

No used car should be bought from a finance company or dealer until thoroughly checked by a competent mechanic chosen by the purchaser, or unless a trial period is guaranteed in writing by the seller, performance to be judged by the purchaser, or his money returned.

Should a car be bought from a finance company, the purchaser, to avoid any trouble later, should read the contract carefully or have an attorney do so; demand a written statement of the exact amount he is required to pay in finance charges; and demand proof that he can get a clear, unencumbered title from the finance company.

An automobile should be purchased for cash, and a bank account set up for deposits for car depreciation, figured at between one and two cents per mile,\* or some other device employed whereby the owner is put into a position to pay cash for his next car.

## Bureau of Standards Helps Business Men to "Clean Up"

SUBSCRIBERS will remember CR's frequent reference to the capacity and willingness of the Bureau of Standards to work for industry, while unable to carry out greatly needed services for ultimate consumers. It adds something to the Bureau's record to note that in accordance with a recent newspaper item in connection with the air mail scandal, the Bureau was able to give needed help to politicians as well as directly to industry. Under a headline, "Brown Holds Help to Air Lines Legal—He Encouraged Mergers to Strengthen Our Aviation, He Tells Senators," *The New York Times* of February 20 says:

"Mr. Brown remembered Mr. Ballard and remembered his and Mr. Bagley's mutual interest in the non-inflammable wood. He related that, in company with the former Assistant Secretary of the Treasury, Mr. Heath, he had gone to the Bureau of Standards to witness a test of the material."

The Bureau of Standards has done a very great deal of work for agencies interested in the commercial exploitation of processes for making wood less inflammable. The work in which the former Postmaster General and the former Assistant Secretary of the Treasury were interested was merely one of a long chain of useful services which the Bureau of Standards was able to afford business men who thought they saw a good chance to get in on the ground floor of a new business promotion that might clean up big.

\*Based on an assumed life of five years with a total mileage of 50,000.

## Notes from Subscribers

THE suggestion in the April *General Bulletin* that subscribers complain loudly and lustily and in writing whenever they get gypped is apparently being vigorously carried out by subscribers, to judge from the carbon copies of their letters that have been coming in. One subscriber writes in to ask how many subscribers are doing this and says:

If there were any way of finding out, I would be curious to know how many subscribers are writing to their representatives [in Congress] and to advertisers. The idea I have in mind is that if the body of subscribers knew that a great many were already writing, they would be encouraged to get into the swim. As it is, I find the most frequent objection to be: "Aw, what's the use? What good will my lone letter do?"

No doubt, a number of other subscribers have shared this point of view, and we therefore plan to run in each issue of the *General Bulletin* excerpts from particularly interesting letters and suggestions sent in by subscribers.

Subscribers all over the country have taken a hand in educating their congressmen and senators in the matter of consumer problems. Our federal representatives, to judge from some of their letters, regard consumers as a product of the imagination, perhaps, of college professors. Continued pressure, however, will make them aware of the fact that consumers are to be reckoned with as well as patent medicine manufacturers, and newspaper and women's magazine publishers. Brief letters like the following from time to time are an important way of apprising your federal representatives of your ideas.

This morning's paper carries an item to the effect that a clause has been added to the Retail Drug Code prohibiting sales at retail at less than the retail price fixed by the manufacturer. Such a clause strikes me as a vicious disregard of the consumer and I hope you will oppose it.

[This subscriber adds this note to us:] I have already expressed myself to one druggist on the subject, telling him that there will be a buyers' strike of two persons anyway because of this, and I expect to convey the same idea to other druggists whose stores I patronize.

A Florida subscriber reports that the following legend has substantially reduced the number of door-to-door salesmen who ring his doorbell.

Agents!  
Canvassers!!  
Peddlers!!!

You are courteously requested not to disturb this home. It is against our policy to buy at the door. We shall be glad to save your time as well as our own, and to save you from embarrassment.

The answer to the question in this California college professor's letter is "yes."

Do you think that letters from each of the subscribers of CR to the President in regard to a department of consumers would be of any avail? If you do, why not mention it in the next issue of CR?

Many subscribers complain to Consumers' Research because they are unable to secure recommended brands at their local retailers. As we have

repeatedly pointed out, we can tell you what brand is good, but we can't always tell you where to buy it; often the manufacturer himself doesn't know, as numerous letters in our files make abundantly clear. As this subscriber found out, however, persistence will probably induce a local store to stock the desired brand.

I have always hesitated to open any can of salmon because I never could be certain of the condition of the contents. Since I have been a subscriber to Consumers' Research I have been unable to buy the brand you recommend . . . I harassed one merchant with my requests for —'s salmon and refused all other varieties. Now he carries that brand and I can assure you that your judgment on salmon is A-1.

Here is a subscriber who has successfully solved the watch-cleaning racket. Other exceptionally expert handymen and skilled mechanics can do the same when local trades are incompetent or charge unreasonably.

I might say that some years ago I became disgusted with paying out \$5 every so often and being told that my watch needed extensive overhauling when I knew perfectly well that all it needed was a little cleaning. Having a fondness for tinkering with things, I therefore went out and bought myself a little set of watchmaker's tools for about \$10 and proceeded to experiment on my own watches and clocks. In my spare moments now I do quite a bit of watch and clock repairing for my friends. My contact with watchmakers has shown me that the majority of them do this only as a side-line [i. e., to a mercantile business in jewelry, silverware, and knick-knacks] and are not to be trusted with a really good or delicate watch. In such cases it is always safest to send the watch back to the makers for repair. This usually requires about a month's waiting, but then one is certain of receiving the watch back in first-class condition.

One subscriber sends us an excellent table of the results of her tests on five varieties of canned pears available in her locality. The test was made with the help of several friends. She also writes:

We have saved a considerable sum of money since we had our eyes opened to the findings of the Consumers' Research. As my husband is a teacher of chemistry, he can very easily make up the formulas for such necessary household and personal articles as furniture polish, lubricating oil, and toothpaste.

This is one of many complaints of unjustified price rises.

It seems to me that prices are jumping so high and fast that the consumer will have to look around for bargains more than ever and may even have to call a buyers' strike such as was shown last fall on a small scale. To whom do you suggest the consumer should apply for respite against excessive prices? For example, at the worst of the depression, *B.V.D.'s* sold for \$.75 and now they are \$1.35! Is this justifiable? My salary is now less than in 1930, '31, and '32, and there is still a cotton surplus. Why the high price?

More and more, subscribers are developing their own techniques at testing goods and are applying them before making purchases. This subscriber sent us a very excellent report on vacuum cleaners, and her procedure is recommended to those who wish to purchase vacuum cleaners other than those listed in

CR's *Handbook of Buying*\* on the subject or to those to whom the *Handbook* is not available.

My husband is a scientist on the staff at \_\_\_\_\_, and I am a college graduate interested in the work that you are doing. We recently decided to buy a vacuum cleaner and, believing nothing that salesmen say, we decided to get five machines besides the one we own and run them all through the same test and examine them on 18 points [one of which was a comparison of the salesmen's tactics]. The tests for dirt, bits of rug, etc., we ran a number of times so that our results might be more accurate. Thinking that you might be interested in the work we did and the results, I am going to tell you about it. If you are not interested, throw away the letter and there will be no hard feelings.

The *Air-Way* which we have, fell so far below that I am not going to bother with it. The sanitary bag is the most unsanitary way of emptying dirt of any tried, for you get dirty to the elbows and get your nose right down against the dirt before you get the bag off and another on properly. The constant buying of bags is a great inconvenience. It gets up less dirt than the regular style cleaners, and the sales service is very poor. We shall talk about the other five only.

I have at hand your *Handbook* on cleaners of two years ago and have studied it and your results at that time. We feel that our results are quite accurate, except perhaps in amount of dirt removed. We made every effort to have that accurate, but there is always the chance that we failed to have some machine adjusted at the exact peak of greatest efficiency. . . .

An interesting item on the accounting practices of a local utility company was forwarded to CR by a subscriber with the following comment:

For your delectation and inclusion in your files on this subject, I enclose a clipping from the *Cincinnati Post* of May 15, 1934, showing a current exposé of one of the choicest rackets exploited by the good old utilities. [Excerpt from the clipping: While Utilities Commission engineers prepared to investigate claims that the Union Gas and Electric Co. is including false charges for paving in its inventory to support higher rates, company engineers today admitted they had "inadvertently included some costs of paving outside of the city."]

It is so easy for company engineers to include a few extra buildings, streets, and even a couple of counties in inventory by the simple method of inadvertence. I only hope they don't grow as inadvertent in handling their physical property. Wouldn't it be embarrassing to turn on the gas jet on the stove and have, let us say, Lake Michigan jump out at you instead of the to-be-expected gas? Nearly as I can see, they might just as "inadvertently" turn it in the mains as include the extras they have for valuation.

This CR subscriber in endeavoring to locate CR's recommended brand of gasoline received a very practical lesson in the ways of business men.

It may interest you to know that on the basis of last year's information on gasolines, I approached the largest filling station in [a nearby town] and asked for [the brand recommended by CR], refusing to be interested in any other grade of gas. This immediately brought the manager to my car with a very juicy line of sales talk which I took pleasure in contradicting. He was perfectly free to admit that the big companies did everything they could to suppress third-grade gasolines (as I discovered when I tried to buy them in Westchester county last summer—none of the three you recommended were to be had), and only used them in areas where the competition from bootleggers with their kerosene-gasoline mixtures forced the big companies to meet their price. He had a better scheme; he didn't carry the third-grade gas, but whenever anybody made a fuss, as I did, he offered them the second-grade gas at the third-

grade price provided they would buy their gas regularly from his station. This scheme he considered particularly ingenious, and, after flattering him a little, I asked him how he could afford the offer. He then told me that he bought 75% of his gas at "sales," which, as I made out, were large wholesale distributions of gas at cut-rate prices; he was also free in admitting that he made inordinate profits on gas so purchased and sold at the regular retail prices established by competition in the community. Perhaps all this is perfectly familiar to you, but it was a depressing revelation to a comparative neophyte; needless to say I bought none of his gas.

## The Radio Repair Racket

Consumers' Research, Inc.

Washington, New Jersey

Gentlemen:

I presume you realize that one of the most successful rackets of which the consumer is the victim is the radio repair racket. You may, however, be interested in my experience which I feel may be typical. At least I hope that in an early issue you will warn those members who may be, as I was, innocent of the rampant dishonesty in this field, to be exceedingly cautious.

On October 28, 1933, we called on the Interboro Radio Service Co. (several branches in New York City), whose advertisement we had seen in *The New York Times*, to look over our radio which had ceased to function. The representative said that there were several things wrong and that for \$10.85 he would give it a general overhauling and guarantee it for a year. After some consideration, we decided that, since there would be no further expense for a year, we could probably afford to have it repaired. The work was done, the radio performed again, but despite several requests, the guarantee was never received.

On March 21, 1934, the radio again would not work. A different Interboro representative came (the other "was on a different route"), and named \$7.50 as the charge for replacing the audio transformer. He explained that the earlier guarantee applied only to work done by his company (though the previous representative had definitely stated otherwise). We had no written guarantee, and he informed us that a verbal guarantee meant nothing. We explained that it would to a reputable firm, and that we had done everything in our power to obtain a written guarantee.

In the meantime, very foolishly, we had let him remove the radio for the second time. After delibration we decided that we could not afford the new charge, and eight hours after the radio was removed, we telephoned to have it brought back. We were informed that (without our permission) the repairs had been made. On being told that we wanted the radio back without the repairs, the representative stated that it would cost us \$4.50 just for having the audio transformer put in and taken out again.

After a bitter wrangle, during which I suggested that I might bring Consumers' Research and the advertising manager of *The New York Times* to my aid, the representative said he would see the manager.

\* *Handbook of Buying*, March, 1932, available only to subscribers to the confidential service; 35c.

An hour later the radio appeared at our front door with a bill for \$4.75, repaired. We were so glad to have the radio back undamaged that we paid, but with a feeling akin, I think, to one who pays ransom and thereby encourages kidnappers.

A week later the radio stopped again, showing precisely the same symptoms as before. Although a complete amateur, I was able to repair it by winding some tape about an exposed wire leading to the transformer (which I had pointed out to the repair man, but which he had said was not responsible for our difficulties).

To return briefly to the radio question—at his first visit, the Interboro representative tested some old tubes, replaced by another dealer as worn out, and found them in good condition. Apparently he believed that by exposing another dealer's dishonesty, he would conceal his own. Replacing good tubes with good tubes for a considerable fee seems to be another common practice.

Recently I have spoken to a neighbor concerning this episode, and his information was enlightening. He is acquainted with a radio repair man who at-

tempted to obtain a position with a company whose practice in some respects, I believe, may not be dissimilar to that of the Interboro. This repair man was told, on his first day—which was his last—that he should always diagnose radio difficulties, however simple, as involved and expensive. If the customer did not have the job done, he was to see to it that those parts which he had claimed to be faulty, *were* faulty when he left.

By the way, the type of guarantee of servicing to which I have referred is not unusual in other fields. An associate of mine had repair work of over one hundred dollars done on his car, and soon found that the guarantee, although apparently applying to the subsequent performance of the car, actually applied only to the particular work done. It is well to obtain explicit written guarantees.

I hope you will soon publish an exposé of the radio repair racketeers. If any part of this letter may be of any service to you, you are welcome to its use.

Very truly yours,  
(signed) WALTER R. VOLCKHAUSEN

## Why So Few Defenders of Consumers' Interests?

THE influence of consumers as such in city, county, state, and national government in the United States is almost nil. The tariff, always contrived for the protection of the few at the expense of the many, is in line with the general relegation of the buyers' interest to an inferior or neglected position. By the tariff, Congress deliberately provides for high prices to the advantage of inefficient producers. Consumers are sometimes forgotten, sometimes ignored. They are the stones that the builders of the social order as it is, habitually reject.

The ignoring of consumers is not altogether deliberate; it is a development. When our population was composed mostly of pioneers who had little contact with each other, there was little specialization; a pioneer would make such implements as would help him to produce such crops as he could use. *His producing was directed by his consumer wants.* When that stage faded into one in which production was for a market, but a small market, a reputation for reliable goods was necessary to social standing and steady purchasers. Service to one's fellows was a well-fortified and socially sanctioned objective of producers.

But in the modern days of specialized production for a large market, the focus of attention is immediately on the making of gains. Well back in the beginnings of the present stage there used to be a widespread notion that one could make profits if he complied with consumers' desires. But to leave it to the consumers today to decide what they want would be a curious and old-fashioned method. The game is to warp the buyers' tastes in the direction of the sellers' interest.

Adam Smith's doctrine that a man works for the benefit of all when he works for his own advantage falls down hard in these times; one weakness being the consumer's helplessness, together with a market so wide and diffused that one sale per customer

becomes profitable. Perhaps in Benjamin Franklin's day, honesty was the best policy; we suspect it still is the best policy for some purposes; but to maintain that it makes more money than does crookedness, for the individuals practicing it at a particular time and place, would be to take a biased and irrational view of the abundant evidence.

It seems that the consumer interest is less well represented institutionally than any other widespread interest. The worker has his worker objectives expressed in labor unions, shop committees, and the state and federal departments of labor. Farmers have farm cooperatives, the Farm Bloc in Congress, and the Department of Agriculture. The military and naval men have their departments in the government. The manufacturers have their trade associations. The merchants have their rotary clubs and chambers of commerce. Manufacturers and merchants together have Congress, lobbyists, the Department of Commerce, trade and manufacturing associations, and the advertising agencies. The lawyers have as their defenders the legislatures and the courts, the members of which were once lawyers themselves and in some instances are likely to be lawyers again. And so on ad nauseam.

Some of the organizations mentioned, in their efforts to better their constituents, harm the consumers as such. And the consumers squirm individually, and are silent.

All of the people I have mentioned are consumers, but the interests of some as consumers are far overshadowed by their interests as holders of securities, or sellers of goods, or of legal, legislative, or other services—or trash.

One whose selling is fostered by his advertising has an incentive far outweighing all others to defend advertising and take whatever chance he must take, of being cheated in his buying. If he is worse than average in his product or bunkum, he stands

to benefit in the long run by the predominant interest for him of a continued open season for gouging. Also, those who are most crooked in their own operations are most suspicious of others in individual transactions, and are on their guard when they buy or trade, even more than those who are cautious or frugal by nature or training. For these reasons many a buyer or seller possessed of exceptional wit or cunning finds the present rules of the game very well suited to his particular purposes, training and habits.

The reasons, then, for the submergence of the consumer interest are:

1. (a) There is an expressive minority who are actually, and in a major way, given an advantage by absence of social control as follows: An important part of the members of this minority are betrayers and extortionists; nevertheless, in a sense and in some transactions they too are consumers and so tend to acquire a sympathetic audience among other consumers whom they trap into thinking that there is benefit to consumers generally in non-interference with tricky methods.

(b) Besides the fact that a few are benefited by the want of social control, other sellers of goods *mistakenly* think they stand to gain by a leave-things-as-they-are policy in selling. (With them the consumer position is rightfully and economically dominant, but they do not realize it. If one has an honest product fairly represented, he stands to lose by the exaggerated and otherwise false representations of other competing sellers; he stands to lose also in his purchases, and in the fact that the merit of his product does not receive due credit since just comparisons are made difficult or impossible by the false assertions of others.)

(c) Though every man is a consumer, nearly every man is a seller of something. Almost every person, to the extent to which he reasons at all on the subject, thinks that he can best serve his total economic interest by chief attention to his money-getting activities—and as an individual he usually can. So many a man devotes eight hours a day to getting purchasing power, and twenty minutes a day in applying it in the market in selecting his consumer goods. (Yet "a penny saved is a penny earned," and the typical citizen would really enhance his net acquisitions as a consumer by an increased attention to his purchasing and consuming functions, particularly if his attention, linked with that of others, leads to the use of experienced and technically qualified agents to carry out or to guide his purchasing.)

2. The consumer has not sought professional or expert aid in his purchases, nor representation before legislatures and other public bodies in his need for protective measures or protest, because to do so would involve an admission of a degree of incompetence in his capacity as a consumer. Though he may fail to make an intelligent or economical purchase on one occasion after another, yet in each case he will incline to the view that with his present knowledge and experience he is adequately equipped. Thus, his desire for self-approbation and a continuous (and continuously unwarranted) willingness to believe in his own canniness in commercial transactions, tend to prevent his leaning on the resources and skills of others, though he doesn't hesi-

tate to call in expert aid in the fields of law or medicine. Yet his lack of skill as a consumer is as great and as costly to him, especially if he dwells in the city, as his want of special knowledge in the field of law, medicine, or hygiene could be.

3. Another reason why consumers have been defenseless is that economists until recently have known little about the psychology of the market situation, and the blind have led the blind. Economists have thought they were analyzing when they were tacking intricate (and conflicting) variations of logic on a tradition that consumer choices rested on marginal utility. That treatment reports merely that market takings are what they are—and says nothing at all about *why* they are what they are. To say that an individual *chooses* is to say nothing about causation. Is there a biological appetite that exerts the pressure on the individual in bringing about the choice? If so, how did it arise and in what manner has it been directed? Even the replacement of bodily tissues and the activity of ductless glands and the types of conduct that are sometimes referred to as instinctive have the details of their manifestation socially ordered. And there is much of conduct for which the biological basis (other than in brain structure) is very tenuous. In other words, much of action is so thoroughly the product of "conditioning" (training) and "re-conditioning," that the biological basis is lost under the superstructure of socially imposed types and areas of expression. To say, then, that an individual makes choices is merely to repeat a phrase. To say that he makes choices according to a balancing of the utilities of marginal units of competing items is to repeat that a man buys what he decides to buy. That economists have, until recently, thus thrown a smoke screen around the causation of the takings and losings of the market place, is an important reason why those individuals who might have defended the consumer interest have been disarmed by "economic reasoning," which in this field has been mere rationalization.

It is high time for economists to give consideration to a question which is fundamental to their science: Is it safe to leave the working out of fundamental, far-reaching, and persuasive social pressures to be determined by the profit motive?

ELMER PENDELL, PH.D.  
Pennsylvania State College

## Are Your Gas and Electric Rates Too High? Write Mr. Cortelyou!

ACCORDING to *The New York Times*, Mr. George B. Cortelyou, President of the Consolidated Gas Company and, at the time, of the Edison Electric Institute, recently made a speech before the Annual Convention of the Electric Institute in which he said: "No large representative body of consumers is complaining of high rates, as one might suppose who listen [sic] to the outpourings of the radicals and politicians of a certain type, laboring to create the impression that what is holding back prosperity is high rates for electricity. Ostensibly to enlist consumer support they demand lower rates. Actually they seek the socialization of the industry.

"The primary object of many of them is not the production of power but the production of votes through subsidies from the public treasury. This is their real purpose, which should be brought out into the open where the public may consider it on its merits uncomplicated by irrelevant issues."

Consumers who find their gas and electric rates

too high will do well to address their complaints directly to Mr. Cortelyou (420 Lexington Avenue, New York City) in order that he may be better informed on the subject. Certainly in his position, more accurate knowledge of the consumer's position and feeling toward utilities is demanded. If you write, be sure to send CR a copy of your letter.

## One Stronghold of the Consumer

THE protection of the consumer in the law is as yet not great nor does that protection which now exists have far-reaching effects, such as would be the case, for example, if there were a fearless and objective federal Food and Drugs Act. That protection which does exist applies to particular consumers in particular circumstances, and the public in general receives benefits only remotely, and that to a small degree.

Since the protection is an individual one, it is given to the individual through the medium of the courts, a medium which is, as all know, somewhat unsatisfactory. The precedents of cases which have already been tried do not have the direct mandate that specific written law has upon the court, and determination of the wrong and the remedy are subject, not only to the judgment of the jury, but to the initiative and expenditure of the plaintiff who may be litigating the case, in seeing the matter through—a long and expensive process of preparation, trial, appeal, etc. The cost of litigation and the time involved are usually weighty deterrents. Unless the damage done is great, the consumer will not readily take up the cudgels against the misrepresentation and dishonesty of those who live by foisting upon the public those things the public does not want, or which, having bought, it is unable to use successfully or without injury or risk. Consequently, the minor violations of decency and honesty that go to make a path for a host of minor and continuous offenses against consumers' rights remain, for the most part, untouched.

A recent example of the protection existing in the law for the individual consumer is a decision of the Municipal Court of the City of New York, Borough of Manhattan, Tenth District, which awarded damages to a woman injured because of the decomposition of dog food in a sealed can. The plaintiff had purchased from a retail store, one unit in an eastern retail grocery chain, a sealed can of dog food. The can appeared to be in perfectly good condition when she purchased it. She had used this particular brand of dog food on previous occasions. When she returned home from the store, she placed the can on a table and proceeded to open it by inserting the point of a can opener into the top, in the customary manner. Immediately, the contents of the can, which appeared as a liquid instead of the expected solid, shot out through the hole made by the can opener, and were violently projected into the plaintiff's face, causing her serious injury. The contents of the can apparently had become decomposed and putrid and had degenerated into liquid form. The gases formed by this putrefaction were under such pressure that the liquid was violently expelled when the gases were released by puncturing the can. The court

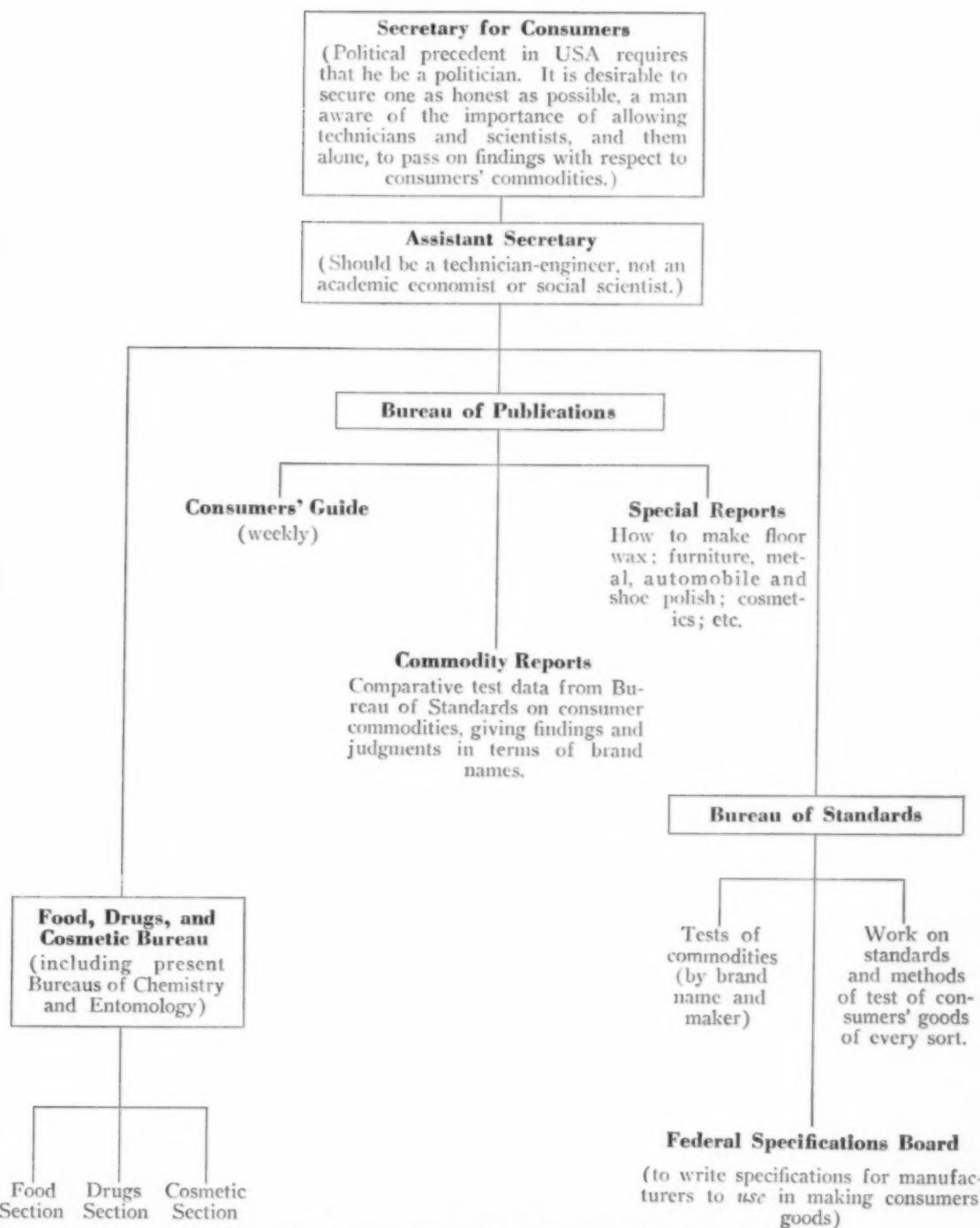
awarded to the plaintiff damages in the sum of \$500, and this decision was affirmed by the Appellate Term, First Department, of the Supreme Court of New York. This decision was based on the principle that a dealer *impliedly warrants that the goods are of merchantable quality*, though not himself the maker or grower of the goods.

This means that the consumer who has need to litigate, need not carry his suit further than the retailer from whom he buys the goods, when he finds those goods of bad quality. The establishment of this principle is a distinct advantage to the consumer as his opportunity to sue a manufacturer situated in a far-off region or country is in the usual circumstances of no practical value to him whatever.

There have been cases where pins have been found in bread, foreign matter in canned soup, etc., where the consumer has recovered damages from the retailer. Defenses to such actions sometimes have been to the effect that the buyer takes his risk and that the retailer cannot know the contents of a sealed article any better than the buyer. Fortunately, the Personal Property Law of New York contains a provision making a dealer liable where goods bought by description are not fit for the use to which they would naturally be applied. This provision of the New York law is identical with a provision contained in the Uniform Sales Act. The Uniform Sales Act has been adopted in thirty-one of the states. Obviously the laws of every state should be written to contain such a provision, since otherwise the dealer is being paid his profit for his function, which is that of acting as a more or less skilled purchasing agent for the consumer, without his accepting in fact the risks and exercising the skills and precautions which appertain to that function. While this does not pertain to the express advertising (particular, specific claims) made with regard to an article and while it covers only the fitness of the article for its primary and obvious use, it is at least a boon to the consumer if and to the extent that the possibility of litigation initiated by consumers will prevent injurious articles from being placed upon the market. Such a principle of law makes the dealer a guarantor to some extent of the safety of the articles he offers for sale. In this way, responsibility for some defects, at least, is placed on a definite person, and one easy to locate, without the consumer's having to prove exactly how the defect occurred or that the dealer was specifically negligent. A few more decisions such as this may influence dealers to patronize manufacturers who have a record of good performance in production, inspection, and control, and so can be trusted to protect consumers' health and safety.

JOHN M. GASTON, JR.

## Suggested Plan for the Department of the Consumer



Reprinted from *Discovering Consumers*, John Day Co., New York City, 25c.

## Signs and Portents

**C**ONSUMERS may be weakly and inadequately represented in the NRA, but when their interests are sufficiently disregarded, they can, if they are determined enough, vote an unanswerable "No!" to price-fixing, price-raising schemes of the business men.

The Gandhi resistance to higher prices by Mr. and Mrs. Consumer is beginning to have an effect.

The textile trade is the first to weaken. Goods simply can't be moved at prices the industry tried to establish. Retailers haven't given much ground yet—although there are an unusual number of clothing "sales" here for this time of year. But jobbers and wholesalers are quietly slashing—not shading—their prices. They're tired of watching their inventories gather dust.

The textile situation is complicated by overproduction. Manufacturers were too optimistic about public demand and it looks as if the industry is in for an uncomfortable summer.

Meanwhile, Mr. Consumer himself has done more to swat old man H. C. L. than all the boards appointed for his protection. (The National Whirligig, James McMullin, in the *New York Post*, May 16, 1934.)

**T**HE author of the following tirade is favorably known in utility circles for assistance rendered by his series of articles in 1926 attempting to discredit government ownership. The assistant director of the Illinois Committee on Public Utility Information asked his colleagues for data to help Harper Leech develop the theme "that the whole Boulder Dam [a governmental, non-profit power project] is a Los Angeles real-estate promotion affair."\* In the light of his previous connections, his distaste for the "kept Liberal" press and his irritation at outspoken writers who do not get their orders and their pay from big business is quite understandable.

The Tugwell bill is part of a general scheme of socialization. It is no coincidence that a bill which would limit business enterprise by restricting advertising, a bill that would make it practically impossible to establish a new industry marketing a new product in the United States, thereby hastening the kind of stagnation that the "kept Liberal" mind of the endowed school teacher and uplifter so ardently desires as a prelude to socialization, would at the same time reduce the press of the United States to dire straits. The only independent newspapers in the world exist in countries where substantial advertising revenues are possible. Elsewhere the press is a kept or intimidated institution. The hostility of the "kept Liberal" to an independent press is ingrained and of long standing. Nothing so irks a kept man as the sight of a free man. Nothing so enrages a kept Liberal "free speech" fakir, as the actual exercise of free speech by fact seeking and fact finding newspaper men, whose critical appraisal of the world is a constant obstacle to the attainment of their desire of a world regimented to conform to their complexes and psycho-pathological hatreds.

The Tugwell bill is indeed a key piece in the program of communication which the school teacher and social worker clique, now entrenched in so many Washington bureaus and departments, is trying to slip over on the President as well as the people. ("Well, I Told You So," by Harper Leech in *Electric Light and Power*, April, 1934.)

\* *The Public Pays*, by Ernest Gruening, pp. 171-172. New York: Vanguard Press, 1931.

**W**HEN consumers disbelieve advertising and demand grades and standards to guide them in making purchases, it's destructive to national prosperity. When operators of office buildings insist on facts, not sales talk, in the commodities they buy for business purposes, that's scientific purchasing.

Purchasing frequently involves research of the highest technical order.

All building managers are aware of the dangers of believing the snappy and sincere young salesman who offers the "new discovery" in marble cleaners. It works well under the "demonstration"—the dirt disappears, and the marble looks clean and bright. But what happens after the tenth application or the fiftieth? . . .

Buying on facts, not guesses, must also answer the question of which cleaning compound or other product is the most economical choice. It is not sufficient to know that a product is safe for the surface to be cleaned; it is necessary to know how its true cost compares with that of its competitors. Often it requires chemical analysis to disclose the real worth of a product—the amount of actual soap, in the case of a soap product, or the amount of adulterant or filler material. ("Buying on Facts Not Guesses" in *Buildings and Building Management*, Sept., 1933.)

**G**ENERAL JOHNSON ought to get himself a speech writer who would have time, or perhaps the disposition, to study the various reports emanating from the NRA. Perhaps the General's statistics would then be a little more reliable or at least consistent with other government reports. The Consumers' Advisory Board,\* for example, issued a report early in 1934 pointing out with suitable documentary charts that prices had advanced more than wages. Now four months later the General comes forth with this piece of misinformation.

Of course we must see to it that the recovery program does not increase the cost of living as fast as it increases the people's power to purchase and consume. *That has not happened. There is not one word of truth in statements that it has happened. The results of the President's recovery program are all on the plus side* and the man who asserts the contrary is assuming a heavy responsibility to a distressed and abused people. *All charts and indexes refute him.* But, if there were no such figures, it is quite clear that consumption is increasing by leaps and bounds and that wages and employment are marching ahead of it. [Italics ours—CR] (Speech by General Johnson, Columbus, Ohio, *N. Y. Times*, May 5, 1934.)

**P**ADE Mr. Hitler. Somebody ought to suggest the NRA codes techniques to him as a means of achieving regimentation.

The Code says to carry an apple or a box of candy up to your room is unlawful (unless you bought it in the hotel). Really. This is what the Philadelphia Hotel Code Authority actually proposes to write into the law (approved codes, it has been held, become part of the law of the land).† It is declared an unfair trade practice to permit guests to bring into any hotel for service to themselves or others, or for sale, any commodity or commodities sold by the hotel as part of its regular service to the public; such commodity or commodities must be purchased from the hotel. (Italics mine.)

According to this, if the hotel had a men's clothes shop, one would be permitted to register only if he were naked. He could then, of course, purchase his apparel in the hotel shop. ("Happy Days for Hotel Keepers," by Robert Ellis in the *New Republic*, May 23, 1934.)

\* It was a division of the NRA, General Johnson.

† \$500 fine for each violation of provisions.

